Page-Hersey Earns Dividend (Page 1) — *Central Manitoba May Close Down* (Page 16)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGES 15-16

Vol. XXVIII — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, FEBRUARY 3, 1934 — 10c a Copy; $5.00 a Year — No. 5

The Nation's Business

Economy at Ottawa Does Not Reach Root of Problem
Tariff Walls For Our Cities?
A Toronto Suggestion
Sir William Clark's Warning
Government Control In Business

Minor and Major Economies

TO THE ministers and deputy ministers at Ottawa must go the thanks of the country at large for an obvious and not unsuccessful effort to find new avenues of frugality and economy. The estimates for 1934-35 suggest but can not entirely reveal the hours of careful study of item after item under midnight lamps in Ottawa's offices.

Yet after all their effort, the programme for the coming year offers no hope of either a fully balanced budget or of tax reduction, because the necessary emphasis upon small economies at every point has not been accompanied by a major operation upon the malignant tumour of overgrowth of government.

In the current bulletin of the Toronto Bureau of Municipal Research appears this telling phrase:

"As beasts of burden, taxpayers deserve sympathy, as human beings they deserve consideration."

Something akin to this thought arises in one's mind as one studies the plans and particularly the estimates of the Dominion Government for the coming year.

* * *

THAT some consideration has been given to the taxpayer can not be denied. The estimates for the coming year provide for a definite reduction in expenditure. No doubt Mr. Bennett and Mr. Rhodes feel that they have gone the limit in curtailing expenses of government. But frankly the fact must be faced that, again this year as in previous years, the reductions are entirely inadequate when compared with the need that exists for lower taxation through lower governmental expenditures. Again the pruning of Dominion expenditures is being done with a paring knife when an axe should be used.

At the same time that estimates calling for slightly reduced expenditures are presented, schemes calling for new governmental financial assistance—public works, a central bank, credits for farmers, etc.—are brought down.

The prospect for any early reduction in Dominion taxation is remote indeed. In fact, if any serious effort were made to have governmental revenues cover projected governmental expenditures huge increases all along the line would be required.

* * *

A STUDY of the estimates for the coming year reveals how meticulously the paring knife has been applied in every department of government. Among the 38 groupings of the government's spending activities only one shows a net increase in projected expenditure on current account; 37 show reductions. Of the total reduction of just under $16,000,000 in current expenditures more than $10,000,000 is made up by adding together hundreds of small economies scattered throughout the whole governmental service; such as one less clerk and one less stenographer in the department of labor; one less accountant in the department of finance; a curtailment in activities of the department of agriculture; smaller grants for immigration work; a slowing up of international boundary surveys, etc., etc. Coming on top of similar reductions in previous year, the savings indicate much painstaking study of departmental problems by ministers, deputies and other executives. Even so, such economies are not a patch on the ones private business firms have been forced to effect. Such a squeezing out of little extravagances here and there is a periodical necessity in every government and every business.

In the aggregate, however, these small enforced savings do not begin to go to the root of the problem, which lies not so much in minor extravagances as in an unwarranted extension of the whole field of government. And it is in this most important of all phases of the problem that business looks vainly for relief.

* * *

NOT a single activity of government lightly assumed in boom days has been jettisoned; there is no major co-ordination or consolidation of over-lapping departments; on the other hand new undertakings are to be promoted, which means not only new borrow-

(Continued on page 2, col. 3)

SAY BENNETT TO LET BANKS ISSUE NOTES

Central Bank Bill and Bank Act Revision Due Soon

TO STATE POLICY

Private Ownership Proposal Will be Attacked — May Defer Gold Ownership Problem

From Our Own Correspondent

OTTAWA—Declaration of government policy with respect to the set-up of the Central Bank and to the renewal of bank charters is unlikely to occur with the introduction of the original legislation in Parliament.

With regard to the renewal of bank charters it is believed the government will introduce the bank bill in more or less its existing form, save for changes required by the Central Bank legislation.

With regard to the Central Bank, the government has drafted legislation in conformity with the recommendations of the Royal Commission. The suggestion of the commission that the banks should be denied the right of note issue is unlikely to be included in the original legislation and any effort, subsequently, to amend the bill to cover this point is almost certain to be resisted by the government.

Legislative Process

The general policy of the government is to introduce legislation without staking the life of the ministry on any provisions thereof. Both bills will go to the Banking and Commerce Committee for thorough enquiry and, where deemed desirable, amendment. The committee in considering the bills will have the benefit of the representations made by the bankers and other banking and credit experts.

Only after the bills have been reviewed by the committee and returned to the Commons will the government come to definite decisions with regard to particular features and not until then is there likely to be serious controversy.

With this in mind, the original draft of the Central Bank Bill will provide for the private ownership of the stock. This will be vigorously attacked by the opposition groups. Rt. Hon. W. L. M. King, speaking on the address, stated plainly that the Liberal party stands for outright public ownership of the bank. The party fears that private ownership might result in control passing to special interests within the country or, and more to be feared, into the hands of those closely associated with the Bank of England. The Liberal party believes, with what justification time will tell, that Canadian bankers will support this view.

Government Attitude

The government's answer to initial criticism will likely be that the measure has been drafted strictly according to the recommendations of the committee and is a suitable subject for further enquiry by the Banking Committee. After the committee has reported it will be time enough to face the issues squarely.

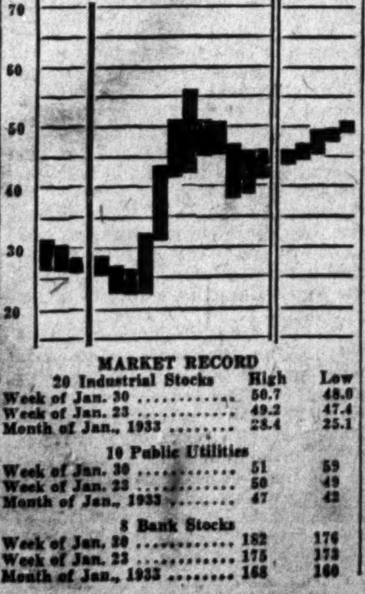
The selection and appointment of governors and directors is tied in with the ownership of the bank. Much the same sort of controversy will develop and it will follow the same course.

With regard to the future ownership of gold now held by the banks the probable trend of the legislation is not so clear although it is understood in a general way that the government does not desire to injure the commercial banks in matters of this kind. Like the note issue, the question of bank owned gold will probably be left for later decision—after the depression is over.

The suggested changes in the Bank Act made by the commission are more likely to be referred to the committee than to be incorporated in the original bill. This applies to such matters as the cashing of cheques at par.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Jan. 30	50.7	48.0
Week of Jan. 23	49.2	47.4
Month of Jan., 1933	28.4	25.1
10 Public Utilities		
Week of Jan. 30	51	59
Week of Jan. 23	50	49
Month of Jan., 1933	47	42
8 Bank Stocks		
Week of Jan. 30	182	176
Week of Jan. 23	175	173
Month of Jan., 1933	168	160

Nickel Converters To Cost $1,000,000

International Nickel Co. of Canada is placing orders for installation of four new converters in the Copper Cliff smelter. The total cost to the company of the new construction will be somewhat less than $1,000,000, Donald MacAskill, general manager, announces.

The new converters are being installed, Mr. MacAskill states, to properly balance the output of nickel and copper. When plant construction was completed in 1930, it is stated, space was reserved for additional converters, if and when new milling and smelting processes were fully demonstrated. Apparently this has now been done to the satisfaction of officials.

ALL SECTIONS RUBBER TRADE MORE ACTIVE

Heavier Auto Schedules Help Tire Division

EXPECT PRICE RISE

Severe Winter Boosts Footwear Sales — Mining Activity Brings Demand for Hose and Belting

Rubber manufacturers are looking forward to a much improved year with demand in all lines being heavier than in 1933; last year ended with a fair volume of orders on hand and indications that increased buying would be continued and the results in January have confirmed this, The Financial Post is informed. Outlook for increased automobile production and maintenance of the high level of mining activity in 1934 is one of the most favorable factors as far as the industry is concerned.

Prices of manufactured goods have shown very little change during the past few years although raw materials prices have fluctuated widely. One manufacturer told The Financial Post, however, that an increase in price of many lines might be expected in 1934 if the present upward trend of raw rubber and cotton prices continued.

Four Sections in Industry

The rubber manufacturing industry in Canada can be fairly accurately divided into four sections although more than one type of activity is carried on in many plants. These sections, viz., tires, footwear, drug sundries and hose and belting, have their separate problems and are affected by different conditions.

Volume of new automobile production is the chief factor in the tire division although the replacement demand is considerable. With automobile manufacturers' schedules calling for greatly increased output in 1934 over the previous year and a heavy replacement demand having been built up during the past few years of depression, output of tires should be considerably ahead of 1933. Increasing world trade will also be felt by the tire manufacturers as a fair volume is exported.

Footwear Sales Heavy

The early and severe winter throughout Canada — particularly in the eastern provinces—resulted in excellent sales of rubber goloshes and overshoes. Following two extremely mild winters this change was particularly welcome. Dealers' shelves were depleted and factories were forced to work overtime to keep up with the demand. Some of this activity was carried over into 1934 but the outlook for the whole year depends largely on the weather in the last three months of the year.

Sales of rubber Wellingtons and hose and belting were higher during 1933 owing to the increase in mining activity. Greater activity by manufacturing plants throughout the country, as indicated by the increases in employment, will undoubtedly call for replacement demand in rubber belting.

Export Competition Keen

Export business in all types of rubber goods has been difficult during the past few years or since the low price of rubber enabled countries such as Czechoslovakia and Japan, with low labor costs, to obtain a foothold in the market. It is interesting to note that while high prices of raw rubber prevented these countries from attempting to form manufacturing industries, now that they have been established they will be able to undercut Anglo-Saxon manufacturers even though rubber rises to near the peak levels of about $2 a pound.

Current quotations for raw rubber of over 10 cents a pound compared with a low of around 3 cents in March, 1933, and an 80 per cent increase in raw cotton prices since that time, have not as yet affected the prices of finished goods. One reason for this is that wages and overhead accounts for about 90 per cent of total cost of rubber goods when rubber is at 8 cents a pound. It is expected, however, that any further increases in raw materials costs will be passed on to the consumer.

OLD WHISKIES FROM DOMINION GET GOOD PRICE

Officials Silent But U. S. Customs Returns Show High Average Price

WALKER DIVIDEND

Expected Directors Will Wait Until Quarter's Operations at Least Are Before Them

Hiram Walker-Gooderham & Worts, Distillers Corp.-Seagrams, Canadian Industrial Alcohol and Brewers & Distillers were responsible for most of December exports into the United States of 754,384 proof gallons of spirits valued at $4,671,535 by the United States customs, or $6.20 a proof gallon. Whisky from the United Kingdom entered at an average rate of $4 a gallon and the average for all imports of spirits was equal to $5.20 a proof gallon, that is, a gallon having 50 per cent by volume of pure alcohol.

On Canadian stock markets stocks of distillery companies have gone to high levels and there remained more or less constant because traders realized that there was available no official information as to exact prices received by Canadian companies for spirits exported to the United States and because they feared as well that as stocks of available whisky mounted, prices might drop. Two months ago The Financial Post carried an exclusive story which carried also the information that expert opinion was that Walker was then shipping to the United States at $5 f.o.b. Walkerville. Later this was said to have mounted to $5.50 and the customs statistics would indicate there may have been further increases due to the strenuous demand.

"Cut" Many Times

It must be realized that whisky sent by Hiram Walker-Gooderham & Worts to the United States distillery at Peoria, Ill., by Distiller Corp.-Seagram to their new distillery at Nashville, Tenn., and by Canadian Industrial Alcohol to National Distilleries for sale direct and for blending, will gather to itself additional profits on the way to the consumer. Some blends of whiskies, just as good as pre-prohibition whiskies once popular in the United States, may be made by using only 10 per cent of the aged stuff going forward from Canadian distilleries. Rye and bourbon whiskies sell at different prices, according to brands and blends and contents and amount of aged whisky of high bouquet in them, but some of these blends with 10 per cent of aged whisky are selling at what amounts to $5.35 a gallon wholesale. The Canadian whisky could be imported at a much higher figure than $5.35 and still represent when "cut" a very reasonable proportion of the actual cost of the beverage sold.

Shipping Steadily

In the case of rye or bourbon whiskies of higher bouquet sold at $6 a wine gallon and $7 a wine gallon, higher proportions of Canadian whisky are used but the value of the Canadian fraction would still be considerable when considered in terms of proof gallons. The market is undoubtedly large. Legal imports in November, 1933, were only $888,129 and jumped in December to $10,887,825 including 1,349,622 proof gallons of spirits valued at $7,099,127. The main import besides spirits was 990,400 gallons of wine worth $3,788,798. Duty and excise added to these prices were about 62 per cent of the value shown.

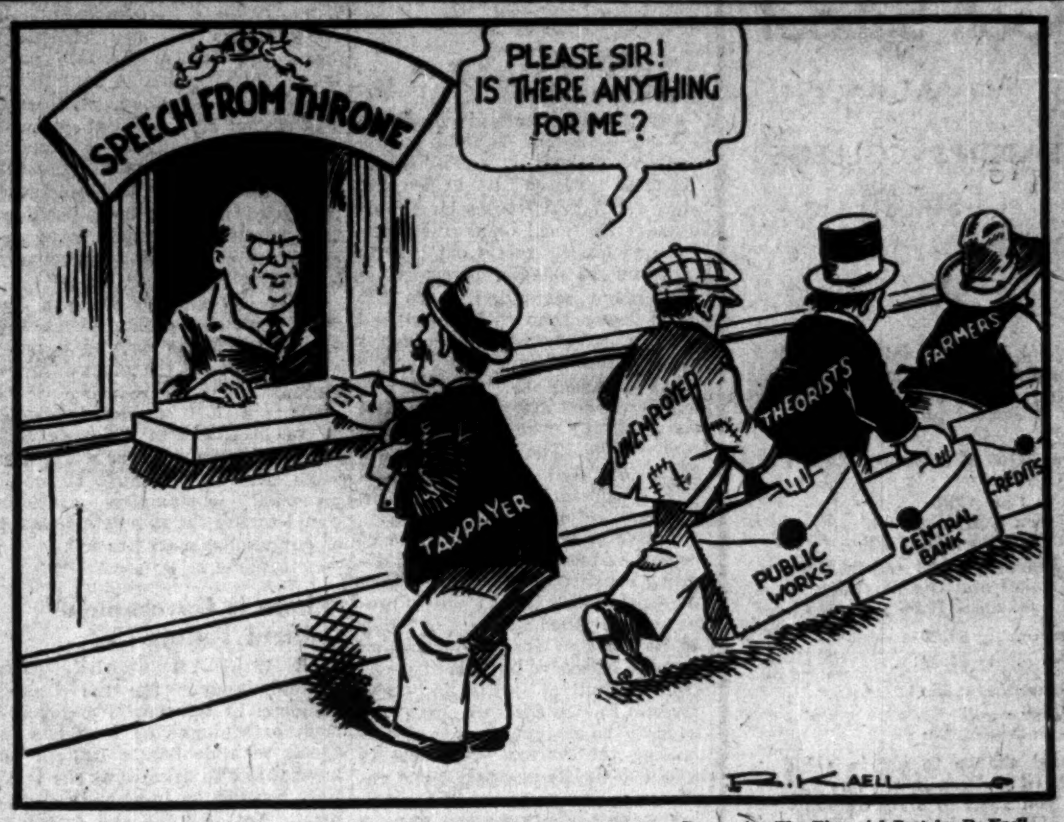
These figures are very encouraging. But the sobering reflection is that these may be liquidated over several years while the United States is maturing its own stores of aged whisky. At the December rate of export it would take 30 months to ship from Canada the spirits available but there is no physical reason why it should not move across in a few months. That does not appear likely, however.

No Walker Dividend Yet

All sorts of fantastic and semi-fantastic stories have been going around the street as to large dividends which Walker would pay in the near future. Closer students, however, believe that the directors will not act until they have at least three months clear operation results before them to study. They look upon the situation as likely to take some years to work out and they will probably look after all contingencies from earnings. It is not likely that dividends will be paid upon a liquidation basis of inventories as some think; rather every attempt wil be made to buttress the companies with strong current assets against future contingencies and to prepare them to compete when whisky no longer has a scarcity value.

Edmonton Prepayments Up

Edmonton prepayments of 1934 taxes amounted to $618,492, compared with $552,000 in 1933, it is reported by A. Templeton, assistant city assessor. Last year was the first in which the plan of offering a discount on prepayments had been in operation.



—Drawn for The Financial Post by R. Kaell.

LETTERS FROM HOME

N. Z. BUTTER AGAIN CAUSES CONTROVERSY

Shipment Arrived in Victoria Held for 30 Days by Order

TROUBLE BEGAN IN '30

From Our Own Correspondent

OTTAWA.—With the arrival of 1,650 boxes of New Zealand butter at Victoria late last week, the trade relations between the two countries, never easy since the abrogation of the old treaty in May, 1930, enter upon a phase which may and probably will be extremely hazardous.

Interpreted in the light of the provisions of the present treaty, Ottawa's decision to hold this shipment in bond at Victoria for 30 days means that regardless of other considerations, imported butter will not be permitted to break domestic prices. Unless prices rise or fall materially in the next month, the Government is certain to impose upon New Zealand butter all the rigors of our customs and tariff acts.

Began in 1930.

In recent years, butter has been the bug-bear of Canada-New Zealand trade relations. Running their exports to Canada up to nearly 40 million pounds prior to 1930, New Zealand precipitated a revolt by Canadian dairymen which found expression in the 1930 general election. The Bennett Government received an unmistakable mandate to put a stop to this trade and, on the other hand, New Zealand, as Mr. Bennett put it, insisted upon the right to export to this Dominion.

A new treaty was reached with New Zealand in 1932, chiefly because butter prices in Canada had fallen to export levels and the Antipodean Dominion was not interested in our market. But a combination of circumstances in the past six months has wiped out export surplus and prices have risen rapidly above world levels. The treaty rate on butter is 5c. per lb. and as soon as price rise had passed this mark, the threat of New Zealand once more revived, to be realized in the past week.

Hold For 30 Days

Two steps are possible under the treaty to impede entry of New Zealand butter. The Government already has taken one and has indicated the intention of taking the

(Continued on page 2, col. 8)

HEAVY DRAIN ON OTTAWA FOR ANNUITIES

Cost to Taxpayer at New High Mark in Past Year

OVER $500,000

It cost Canadian taxpayers considerably over $500,000 in 1932-33 to maintain the federal annuities branch, according to figures just released in the annual report of the Department of Labour, Ottawa.

This is by far the heaviest drain on public funds ever made by this branch of the public service and brings the total cost of the department in the past five years to something over $1,350,000.

Reserve Needed Bolstering

Cause of the heavy drain in the past fiscal year was the need of large appropriations from the Consolidated Fund of the Dominion treasury in order to maintain the reserve basis of the annuity branch. Whether these transfers from the public purse are to continue on an ascending scale is not definitely known but a few years ago The Financial Post estimated on the authority of a prominent Canadian actuary that the government fund was insolvent at that date to the tune of at least $1,500,000 and the experience of the past few years would seem to bear that out.

In the year ending March 31, 1933, apparently the huge sum of $474,000 was required to maintain the reserves of the annuity branch—by far the largest appropriation ever made for that purpose. The cost of the branch to taxpayers in the past five years is, therefore, something like this:

What Federal Annuities Cost Taxpayers

Fiscal Year	*Deficit $	Administ'n $	Total $
1933	473,673	‡60,000	‡533,673
1932	261,939	75,000	336,939
1931	108,645	105,000	213,645
1930	......	75,000	75,000
1929	132,844	65,000	197,844
	977,101	380,000	1,357,101

*Being amounts transferred from Consolidated Fund of Canada to maintain reserve at legal level. ‡Estimated.

Two Transfers This Year

Reason for the sharp increase in the amount needed in 1933 to maintain the reserve is that apparently two transfers of this nature have been made this year—one to ordinary account (receipts) and another into capital account (assets). Thus, the accounts of the annuities branch as published in the annual report of the Department of Labour, show

(Continued on page 2, col. 8)

C. P. R. Operating Income Registers Gain Last Year

Increases in Last Quarter Are Helpful — Much Will Depend on Special Income as to Balance Available on Capital

From Our Own Correspondent

MONTREAL — Substantial improvement in operating revenue of the Canadian Pacific Railway during the last quarter of 1933, enabled the company to show an increase of $772,121 in net operating profit for the full year compared with 1932.

The first change in the downward trend of operating income took place last May. From then on the monthly returns were higher than for the same month of 1932, with the exception of September. For December net operating income was $935,648 greater than for December 1932. This was the largest monthly increase reported for some time.

For the full year the Canadian Pacific's operating income amounted to $114,269,688. This compared with $123,936,713 in 1932, a drop of $9,667,025. The many economy plans put into operation by the management over the past three years resulted in very substantial savings in 1933. The net result was that net operating income last year at $20,862,105 was $772,121 larger than in the previous year.

No particulars are available as yet on income from special sources. Special revenue in 1932 amounted to $4,537,426. This was considerably below the average reported in the past ten years. While it is expected that certain departments will not be able to contribute increased revenue to the special account for 1933, dividends from Smelters will be on a larger scale. The investment in this company has been one of the largest revenue producers for the C. P. R., and will bulk up large in the 1933 accounts owing to the receipt of two dividends, one of cash and the other of stock.

Prospects for earnings on the capital stock are not especially promising. Of the total income of $24,627,410 in 1932, $23,619,529 went to cover fixed charges. Such charges are likely to be larger for the past year in view of the company's heavy borrowings from the banks.

Highlights of the week

B. C. Brain Trust

Pattullo's new dealism for British Columbia has Professor W. A. Carrothers to head its brain trust. Who Mr. Carrothers is, and the problems to be solved. Page 9.

Insuring Partners

What is necessary to protect unincorporated partnerships against the death hazard. R. M. Haultain outlines essentials. Page 12.

Mixed Farming

Diversification has been proposed as the answer to Saskatchewan's agricultural problem in drought areas. Dominion expert, S. Barnes, says it can't be done. Page 10.

Tariff Mix-up

Differences between tariff board and National Revenue Department. Appeals swamp the board, while rulings are overridden. Cases in review. Page 3.

Dehydration

No par value may mean "watered stock." So F. W. Wegenast, K.C., tells how he would eliminate or restrict issue of shares of unstated value. Page 11.

Hitler

Where Germany's dictator has got to in his first year, economically and politically. J. L. Burton-Lewis reviews the Nazi scene. Page 6.

Big Bankers

Bank of Nova Scotia executive promotions. Chairman S. J. Moore's progress from his immigrant days; president J. A. McLeod's Horatio Alger career, and how Harry Patterson, new "G.M.," got into banking by chance. Page 9.

Central Manitoba

Will the mine close? The Post's mining editor on tour in western mining areas, finds the company needs cash or ore to carry on. Page 16.

Power Companies

Where and why Shawinigan did better in 1933 than in 1932. Reasons for lower revenues despite larger sales. Page 4. Montreal Power's stable earnings report. Page 4.

Alcohol Plan

Canadian Industrial Alcohol's plan for altering capital may mean earlier dividends. Page 5.

Investor's Index

Cent. Manitoba may close down	16
Shawinigan report shows strength	4
Montreal Power earns $1.79 a sh.	4
Page-Hersey earns dividend	1
Quebec Power shows surplus	2
Quebec Railway reduces deficit	2

INDUSTRIALS, UTILITIES, ETC.

Bathurst Pwr.	11	Huron & Erie	13
Beauharnois	11	Imperial Sec.	11
Can. Celanese	5	Maritime Tel.	5
Canada Dry	10	Mar. Telephone	4
Can. Ind. Alcohol	5	Montreal Pwr.	4
Can. P. & P.	5	Ontario Loan	5
Canada Trust	13	Page-Hersey	1
Cockshutt Plow	8	Power Corp.	4
C. P. R.	1	Quebec Pwr.	2
Dairy Corp.	5	Quebec Railway	2
David et Frere	3	Shawinigan	4
Dom. Glass	11	Simon & Sons	10
Dom. Stores	5	Stop & Shop	5
Ford of Can.	5	Toronto Savings	2
Foreign Pwr.	11	Tor. Gen. Trusts	14
Goodyear	5		

MINES AND OILS

Base Metals	16	Int. Nickel	1
B. C. Nickel	11	Oro Grande	16
Bralorne	16	Region Gold	16
Bridge River	16	San Antonio	16
Cent. Manitoba	16	Scotia Manitoba	11
Cons. Smelters	11	Siscoe	15
Dentonia	16	Sterling Pacific	16
Dome	15	Velvet	16
Hercules	16	Wright-Harg.	5
Hollinger	16	Windpass	16

QUOTATIONS

Bonds	14	Mines	15
Grain	10	Stocks	14
Foreign Exchange	13		

REGULAR DEPARTMENTS

Answers to Enquiries	11
Business	7
Banking	13
Editorial	6
Grain and Milling	10
Insurance	12
Mining	15, 16
Utilities and Transportation	4

PAGE-HERSEY EARNS DIVIDEND LIQUIDS HIGH

Higher Sterling and Lower U. S. Dollar Improves Prospects

EMPIRE EXPORTS UP

Denies Agreement With British Manufacturer as to Price — Not Protected in Home Market

Page-Hersey Tubes, Ltd., will present a 1933 report to shareholders which will show the dividend of $3 a share on 174,256 no par value shares to have been fully earned. In the first half of the year earnings were inadequate for dividends but in the last half they improved sufficiently not only to cover requirements of that period but it is understood, enough more to cover the discrepancy for the first half as well. The demand for tubular products was at a low ebb during the first three months of 1933 but improvement has been steady since then.

The company has an excellent working capital position. At the end of November, 1933, cash and special deposits stood at $458,204 and investments in Government bonds and trustee securities stood at $2,803,809. Total working capital was $5,378,842 and little change is expected to have been shown during the last month of the year.

Prospects Brighten

Apparently Page-Hersey enters 1934 in a much more favorable position than it did 1933. Results of the new weldless mill at Welland, Ontario, had been disappointing in 1932 in that the company had been only able to get a demand which took care of 11 per cent of its total capacity. The situation which led to conservation of Turner Valley gas resources caused almost a total cessation of demand from companies drilling oil wells but that demand has been growing somewhat of late.

The company's foreign business was in 1932 also suffering from the depreciation of the pound sterling and the drop in exchange value of currencies of many countries to which formerly it sold. It paid on a gold basis for raw materials obtained from outside the country and had to compete against countries with depreciated currencies in foreign markets where currencies were also depreciated. That situation has changed with the pound sterling now running "high, wide and handsome," the United States dollar on a parity with the Canadian dollar and with British Empire preferences giving the company a chance against United States competitors and European competitors which it has not been slow to seize.

Can Do Big Business

Even with the better situation the company may still be regarded not so much as doing good business as prepared to do a much larger business as soon as opening construction and growing industrial activity calls for it. The United States subsidiaries are working under N.R.A. codes and if construction opens there first they will benefit. The various Empire treaties with New Zealand, Australia and South Africa have helped the company, and the prospects in India, Hong Kong and the West Indies have improved for the long view.

With respect to the Ottawa dispatch last week in The Financial Post to the effect that the Tariff Commission is considering making an investigation to determine whether or not there is an agreement not to sell in each other's territories between Canadian and British manufacturers, officials of the company point out that boiler tubes enter the Dominion free of duty. They state that there are 31 manufacturers of boiler tubes in Europe and 18 manufacturers in the United

(Continued on page 2, col. 7)

January Gain By Employment Week's Feature

Construction contracts awarded in January were 87 per cent greater than awards in the corresponding month of 1933, according to figures released this week by MacLean Building Review, Toronto. Compared with December they show a decline of 23 per cent, however.

While the crude index of employment at January 1, as shown below, declined 3.4 per cent from the beginning of the previous month, this decline was considerably less than the seasonal average. The result is that the corrected index shows an increase of 4.1 points, or nearly 5 per cent.

			Change From Prev. Period	Change From Prev. Year
Monthly		Jan., '34	%	%
Constr. contracts	$	6,293,100	—23.4	+87.0
Employment Index		*88.6	— 3.5	+13.0
		Dec., '33		
Rubber imp.	lbs.	3,972,148	—19.0	+89.1
Autos. financed	No	2,000	—25.7	—45.1
	$	733,765	—26.8	—35.2
Coal output	tons	1,229,261	— 8.8	+ 8.0
Coke prod.	tons	187,762	+ 8.0	+38.0
		Nov., '33		
Failures	No.	155	+ 7.6	—32.3
Liabilities	$	1,939,833	—16.5	—55.3
Weekly†				
Carloadings	No.	40,782	— 1.5	+23.8
Cattle sales	No.	10,453	—10.0	— 2.8
Hog sales	No.	20,623	— 3.0	—20.0
Wheat exports	bu.	3,426,214	+30.1	+38.6

* Crude index.
† Weeks ended Jan. 20, 25, 25 and 19 respectively.

Join the WINTER Golf School AT EATON'S - COLLEGE STREET

EATON'S Winter Golf School has splendid quarters, very roomy and affording privacy for practice and lessons. There are eight private driving courts and a nine-hole miniature golf course, in the Basement at EATON'S—College Street.

The School is under the supervision of three well-known pros:—

ANDREW KAY, of Lambton Golf Club;
DAVE FERGUSON, of Weston Golf Club, and
BILL MACWILLIAM, of Thistledown Golf Club.

Season membership in the School is $8.00 and includes one free lesson from a professional and the privilege of practising any time from 8.30 a.m. until 10.00 p.m. daily.

Course of six lessons, . $5.00
Single lesson, ... $1.00
Practice for non-members, 35c
Practice on miniature golf course, for non-members, 10c

The School offers a splendid chance to get in a bit of practice, and to keep yourself fit...Drop in any day and look it over...Or telephone if you want to make appointments for lessons. Call AD. 5011 and ask for the Winter Golf School.

EATON'S - COLLEGE STREET

AT HOME AND ABROAD

The Royal Bank serves Canadians both at home and abroad. In old London, for example, a branch of The Bank, across the street from the Bank of England, gives efficient aid to Canadian enterprise and offers friendly services to Canadian visitors.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page One)

ings to finance the original cost but additions to future yearly expenditures to pay the cost of upkeep. Thus, in the old phrase, savings painstakingly effected at the spigot are offset by enlarging the bungholes.

What has been said about Dominion finance applies with unlessened significance to finances of the provinces and most of the municipalities.

* * *

Tariff Walls For Our Cities?

A RECENT editorial in the Evening Telegram, Toronto, is provocative of thought. The Telegram suggests that the City of Toronto should not restrict its civic purchases to local manufacturers. Nevertheless, it points out that in many of the smaller towns, industrial wage rates and taxes are much lower than in Toronto and that, therefore, the outside firms are able to bid lower prices for the city's business so that Toronto manufacturers are practically shut out from any chance of successful competition. The Telegram feels that labor costs should be taken into consideration in determining the award of a contract or order.

This is carrying the doctrine of protection to a perfectly absurd degree. Practically every country in the world today takes steps to protect the so-called standard of living of its workers from deterioration through excessive imports of goods from countries with low-wage levels. In Canada, we have not gone to the extreme degree of permitting the various provinces to establish tariffs as against one another for the purposes of equalizing wage advantages and only in the minds of the editors of the Evening Telegram and certain local politicians in Toronto has the idea germinated of protecting local firms against firms and workers in nearby communities in the same province.

* * *

BUT for that matter, isn't the suggestion of the Telegram based upon an entirely false set of assumptions? Toronto manufacturers are able to send their products to every part of Canada against the competition of industries in other centres. If they are able to meet other Canadian manufacturers in the home towns of those manufacturers, surely they can meet them in their own home town.

True, taxes which are an important item in cost of production, are high in Toronto, higher than in some of the smaller cities. But one reason they are high is that the city has pursued a rather absurd policy of attempting to fix higher wage scales on city contracts. Thus, the city of Toronto pays more for work that is done for it than it should pay or needs to pay. The cost of such political gestures as this is eventually borne by those who work for Toronto industries and if the result is to place those industries in a difficult position, then surely the remedy is to remove the cause through economy in the city's spending.

It is bad enough to have the world divided up into about 150 nations, each one striving desperately to keep out the goods of other nations and thus reducing world trade to a third of what it should be and has been in the past. But to attempt to cut up the world into some tens of thousands of small protected community markets would ensure the complete collapse of our economic civilization.

* * *

Where is Government Control Taking Us?

SIR WILLIAM CLARK, High Commissioner for the United Kingdom in Canada, is a government official and as such has to speak with deliberate caution on any subject so delicate as the relations between business and government. Yet between the carefully phrased lines of his address in Toronto this week to the Commerce Club of the University one can read a note of warning.

As Sir William admitted, he has spent his life in public service and chiefly in those departments whose special function is co-operation with private business interests. He has seen the laissez-faire policy gradually modified until today in some countries there is complete disciplinarian regimentation of all enterprise under autocratic government.

Even Great Britain, the last stronghold of individualism, has, as Sir William Clark demonstrates, travelled a long way from her pre-war aversion to government control of private enterprise. But as the high commissioner points out, the United Kingdom, in its departures from its earlier attitude of laissez faire, has not attempted to devise a plan for the economic system as a whole but has proceeded on a piece-meal pattern. It has endeavored to avoid direct intervention by governmental departments into business. Says Sir William, "We have been, after our manner, cautious or, if you like, unheroic."

* * *

SURVEYING the results of and the prospects before economic planning by the state, Sir William points out that in a world where philosophers are to be kings, it will be necessary to choose the right philosophers, for philosophers, especially if they are also economists, do not invariably agree. And so he suggests a tentative approach in state planning, in our endeavor to obtain a greater measure of reason in co-ordination of production, commerce and finance for the future prosperity of the world.

Sir William demonstrates that planning by a single nation is not enough; when governments direct economic activity their relations with other governments become very important and it is necessary in any governmental activity to envisage the international consequences and be prepared to meet them. Thus, national planning must inevitably lead to world planning.

* * *

SIR WILLIAM concluded his address by suggesting that it would be the part of wisdom to watch very carefully this growing change in the relation of the state to production and trade. It is obvious that the High Commissioner, with diplomatic finesse, was avoiding a final expression of his own opinion but it is also obvious that, from the depth of his many years of experience, he was endeavoring to warn the young men to whom he spoke of the dangers to democracy and to individual initiative of the growing tendency to rely upon governments to plan our economic activities.

Footnotes to Ottawa

An Occasional Department of Comment on the Background of Governmental Activities in the Nation's Capital

From Our Ottawa Correspondent

Buffalo Wins Out

THE British and United States governments appear to have come to terms on the Buffalo wheat trade. The latest test shipment, which has successfully passed British customs officials without imposition of the six cents per bushel tariff, is generally accepted here as proof of the settlement. Whether the reopening of Buffalo as a Canadian export route to Britain is a part of a larger commercial deal between the two countries is not known. Washington's recent decisions re importation of spirits may have had something to with it. In any event, Ottawa is strongly inclined to the view that the Buffalo route will resume its place in the Canadian wheat export scheme.

* * *

Advertise Canada

DAILY newspaper reports to the effect that a new vote of $200,000 appearing in the main estimates heralds a vigorous drive in European markets on behalf of Canadian exports, are denied by the Trade and Commerce Department. This is the usual vote to advertise Canada in Europe and has appeared annually for more than a decade.

* * *

Apples For Wines

NEGOTIATIONS between Paris and Ottawa for a trade deal—selling Canadian apples and buying French wines—have begun. France, apparently, will greatly increase her purchases of Canadian apples if Canada will do something more for French wines. Purchase of wines, of course, is a matter entirely in the control of provincial liquor commissions, but a reduction in the tariff might help.

* * *

Bureau of Translators

THE order paper of the session just begun contained one or two surprises in the way of resolutions. Hon. C. H. Cahan, secretary of state, leads with a resolution calling for a much needed reform. Hitherto each department of government has had its own staff of interpreters. In the sum total, the government has been grossly overstaffed. Mr. Cahan proposes to set up a Bureau of Translators, to be operated under the state department. This bureau will do all the translating for the government and will be able to get along with a lesser staff than was formerly required in the various departments.

* * *

Bimetallist Bagpiper

THOMAS REID, hitherto noted for his skill on the bagpipes, now joins the ranks of "soft" money enthusiasts. Mr. Reid, who is the Liberal member for Westminster, is sponsoring a resolution calling for the adoption of silver in addition to gold for the issue of currency either in the form of coin or paper. He urges that silver be recognized as legal tender at a fixed rate to gold.

* * *

Insurance Up Again

WILLIAM IRVINE, C.C.F. Wetaskiwin, has a resolution on the order paper calling for the nationalization of life insurance. This policy has frequently been advocated by members of the C.C.F. group, but has never received more than a sidelong glance from the House of Commons. A poll of the members shows that it will not do better this year.

* * *

Canal Tolls Up

THE resolution calling for canal tolls, to be moved by Peter McGibbon, Conservative member for Muskoka-Ontario will probably result in a full dress debate. Many members believe that these public works should be self-liquidating. Strong forces within the cabinet are opposed to the resolution and it is reasonably certain that agricultural members will be against it.

* * *

Socialist Resolutions

THE labor group has produced the usual resolutions calling for the creation of the socialistic state in Canada and for a reduction in the hours of labor in industry.

A. W. Neill, of Comox-Alberni, is moving a resolution calling for a national unemployment insurance scheme.

* * *

Shipping Stands Over

THE most notable exception in the long list of government legislation contained in the speech from the Throne, is the Canada Shipping bill. The bill, it will be recalled, was introduced in the Senate last year. It comprised a thousand pages or more and was finally jettisoned for the reason that it could not be passed in its then form. The coastal law sections were lifted out and enacted separately, although they have never been proclaimed. It was believed that the government had intended to proceed with the revision of the Shipping Act this year and that competent legal draftsmen had been engaged in revising the measure during the recess. Information available is to the effect that a good deal of revising has been done but that the government decided that the legislative programme was already too heavy for one session and that the shipping bill had best stand over until 1935.

* * *

Recapitalizing C. N. R.

THE advisability of proceeding at an early date with the recapitalization of the National Railways will be raised in the Commons by A. E. Munn, Liberal member for Vancouver north. Mr. Munn is moving a resolution urging the new Trustee Board to take this question in hand at an early date.

Two other hardy perennials appear on the order paper. Thomas Reid of New Westminster desires an amendment to the Railway Act reducing the freight rate on shipments of grain from the prairies to the coast. This is usually termed the "domestic" rate as distinct from the export rate which is much lower.

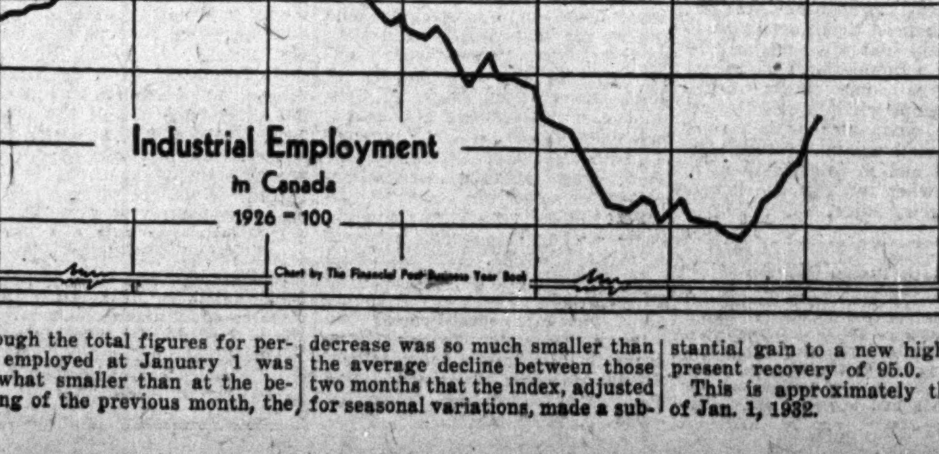
Report Principal Of Trenton Bonds Not Paid Jan. 1

Town of Trenton, Ont., 100 miles east of Toronto on the picturesque Bay of Quinte, is reported not to have paid Jan. 1 principal of maturing debentures. Interest due Jan. 1 was paid, it is understood.

Some doubt has existed in financial circles as to financial strength of Trenton. The town has a population of 6,331, and at Dec. 31, 1932, had gross debt of $987,048, or $155.91 per capita. Against this, some $250,000 was invested in municipal power plant and water works. Otherwise there was no sinking fund.

Figures for 1933 are not available. Tax levy in 1932 was $197,439 and total arrears were $117,547 at Dec. 31, 1932, or 59.5 per cent of the year's levy.

Recovery of Employment Continues Into 1934



Although the total figures for persons employed at January 1 was somewhat smaller than at the beginning of the previous month, the decrease was so much smaller than the average decline between those two months that the index, adjusted for seasonal variations, made a substantial gain to a new high of the present recovery of 95.0.

This is approximately the level of Jan. 1, 1932.

STEVENS' ATTACK ON MASS BUYING BRINGS ENQUIRY

Committee to Investigate Charges — But Powers Limited

From Our Own Correspondent

OTTAWA.—Through a motion moved in the House of Commons on Wednesday the critics who took issue with the recent strictures of Hon. H. H. Stevens, Minister of Trade and Commerce, with regard to sweatshops and mass buying have been answered.

The motion was moved by Premier R. B. Bennett and calls for a small committee of eleven members of the Commons, representing all parties, to investigate the conditions now the subject of controversy.

Thorough Probe

The committee is to be instructed to investigate the large spread between the prices received by producers and the prices paid by consumers and, also, the effect of mass buying by department and chain store organizations. The enquiry into price spreads will be confined, largely, to agricultural products. The enquiry into mass buying will concern the effect upon manufacturers.

Committee's Hands Tied

It is an obvious fact, however, that the committee cannot achieve much in the way of concrete reform. It will function much as the milk probe functioned in 1933. Under the British North America Act the control of production, manufacture, working conditions, rates of wages, purchase and sale are chiefly under provincial jurisdiction. The Dominion cannot intervene except in the case of interprovincial and foreign trade.

With regard to manufacturers, Ottawa has a weapon in the tariff, although in 1929, under a Liberal regime and later on under a Conservative regime, this weapon was held to be unsuitable for purposes of industrial reform.

Carloadings in the week ended Jan. 20 amounted to 40,782 cars, 7,832 more than in the corresponding week of 1933 but 607 cars less than in the previous week. The adjusted index number declined from 75.77 to 72.50.

Canadian Pacific Express Travellers Cheques Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

HUMAN NATURE
No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.
MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping with the Times
220 Rooms

QUEBEC POWER SHOWS SURPLUS ON 1933 INCOME

Lower Revenue Owing to Adjustment on Contracts

From Our Own Correspondent

MONTREAL—Gross earnings of Quebec Power Co., controlled by Shawinigan Water and Power Co., registered a decline last year, but net revenue was sufficient to take care of all charges, including dividends of $1 a share on the common stock, and leave a small balance to be carried forward to profit and loss account.

The decrease in gross is accounted for through the readjustment of the contract with the City of Quebec, the suspension of the contract with the Murray Bay Pulp and Paper Co., through the decrease in power consumption by industrial concerns in the Quebec area and also through the decreased consumption of gas. In addition there was no return from the company's investment in the Quebec Railway, Light and Power Co. This subsidiary owes the parent company $435,000 on account of unpaid interest on bonds held by the parent concern.

Carry Forward Surplus

Details of the income account for the past two years follow:

	1932 $	1933 $
Gross Revenue	3,109,299	2,825,561
Less: Expenses	1,244,071	1,237,899
Bond Interest	611,268	586,781
Depreciation	250,000	250,000
Net Revenue	1,003,960	750,881
Less: Dividends	763,413	553,198
Trans. Cont. Res.	140,000	105,000
Surplus	100,547	92,683
Brought Forward	206,555	*223,064
Carried Forward	307,102	**315,747

* Adjusted on account of Income Tax.
** Subject to Income Tax.

Notes Are Repaid

The financial position of the company was generally stronger at the end of 1933 than was the case at the close of 1932. Assets showed a decline during the period from $29,116,454 to $28,950,160. This is reflected in the elimination of notes payable amounting to $150,000.

Change in Reserves

Several and important changes have taken place in connection with reserves. In addition to the regular depreciation charge of $250,000, a further $105,000 was written off the income account for the purpose of covering losses incurred in the operation of the Quebec Railway and to provide for other possible losses.

In addition to the amount transferred to depreciation and renewal reserve, the directors transferred $250,000 to that fund from the general reserve account. This step was taken on account of changed income tax regulations. The depreciation account now stands at $2,290,723.

Property and plant are carried on the books at $21,093,961. Securities and investments in subsidiary companies are shown at $7,099,404. This is slightly less than reported at the end of 1932.

Renew City Contract

In his report to the shareholders Julian C. Smith, president, had the following to say in part:

"The customers of the company now number 45,622 showing an increase of 355 over the previous year.

"The directors are able to report that the agreement covering the lighting and domestic service in the City of Quebec, which has been in dispute for some years, has been settled. The contract with the city is for a period of ten years from Aug. 1, 1935. Reduction in rates for street lighting was made retroactive to May 1, 1933, and the reduction to the general public dates from Jan. 1, 1934. The company is now in a position to continue the improvement to the services in the City of Quebec, which it has gradually been carrying out for several years.

"The returns from the gas plant show a decrease in gas sold of approximately 9½ per cent. There has been a slight decrease in the number of customers served. Coke sales show a small increase as compared with the previous year.

QUEBEC RAILWAY REDUCES DEFICIT FOR PAST SEASON

Que. Power Subsidiary's Position Shows Little Change

From Our Own Correspondent

MONTREAL — Quebec Railway Light and Power Co., subsidiary of Quebec Power Co., operations were conducted at a loss in 1933, though the deficit was not as large as that reported in 1932.

According to the financial statement, gross revenues of the company totalled $1,091,634. This was about $150,000 less than in the previous year. The decline in operating expenses offset this loss, but the net result for the year was a deficit of $62,264 compared with $126,353 in 1932. No provision was made for interest on the funded debt held by Quebec Power Co., which now amounts to $435,000 as against $255,000 at the end of 1932.

Comparative figures on the profit and loss account for the past two years follow:

	1933 $	1932 $
Gross Revenue	1,091,634	1,241,006
Less: Expenses	1,116,040	1,291,963
Pay. to City	36,500	40,617
*Interest	1,359	34,779
Deficit	62,264	126,353
Priv. Deficit	46,686	*79,668
Deficit Forward	108,950	46,685

* Surplus.

Current Liabilities Higher

At the end of the past year the financial statement showed assets of $7,528,202. The funded debt remains unchanged at $3,000,000, while capital stock issued totals $3,250,000. The mortgage payable, amounting to $15,670, remains unchanged.

Current liabilities registered an increase during the year, from $166,768 to $385,090. In neither case does the figure include liability to Quebec Power Co. for bond interest accrued and unpaid.

Fixed assets show a slight decline to $6,945,724. Securities of and advances to the subsidiary company have increased from $119,982 to $213,863.

The position of current assets underwent an improvement last year, increasing in value from $103,468 to $254,878. This is largely due to an increase in cash on hand from $19,243 to $173,145.

Failures under the Bankruptcy Act for the week ended Jan. 20 numbered 23 as compared with 42 in the corresponding week a year ago. For the year to date, failures, at 96, have declined 28 or 22.5 per cent from the same period of 1933.

Head Office Montreal

Assets exceeding liabilities to the public by $76,000,000.

MODERN, EFFICIENT BANKING SERVICE . . . . the outcome of 116 years' successful operation.

BANK OF MONTREAL
Established 1817

Men's Tailored-to-measure SUITS $19.50

HOME LOVERS CLUB TERMS
$5 now, the balance in three equal monthly amounts. No extras.

Choose from over 175 patterns, most of them advance designs for Spring! We thought we could never achieve such sensational value again, with the rise in woollens and wages. Simpsons and the manufacturer agreed to pare profit rates to the limit. We stress the fact, too, that EVERY GARMENT IS CUT AND TAILORED IN UNION SHOPS, in Toronto, by skilled experts. The fit, of course, is guaranteed. No mail orders, please. At $19.50.

Simpsons—Second Floor.

THE ROBERT SIMPSON COMPANY LIMITED

TORONTO SAVINGS PROFIT IS LOWER

Liabilities to Public Are Reduced—Maintains High Liquidity

Toronto Savings & Loan Co., Peterborough, Ont., had net profit of $133,259 in 1933, and, after deducting taxes, earned 12.8 per cent on capital. Liabilities to the public in the form of deposits and debentures outstanding are lower at $3,292,626. While maintaining a high degree of liquidity the ratio of cash, government and municipal securities to deposits is lower.

It is stated that assets, which total $5,620,238, stand on the books of the company at well within their present market value. Cash is shown at $317,591. Bonds and stocks at $3,350,651 while mortgage investments total $784,594. Real estate owned is up to $1,071,712; premises remain at $70,000. Included in the total of bonds and stocks is $1,241,031 of bonds, while stocks are shown at $2,109,620. Investment in bonds includes $598,211 in Dominion of Canada and provincial bonds; $175,365 in municipal bonds and $467,455 in other bonds.

Deposits amount to $1,361,118; currency debentures, $1,402,884 and sterling debentures, $528,624. Dividend paid in the first quarter of 1933 was on an annual basis of 14 per cent. The two following payments were on an annual basis of 12 per cent and the final payment was at the rate of 10 per cent.

Earnings Record

Year	Paid-up Capital $	Net Profits $	Div. Rate %	Rate Earn. %
1928	1,000,000	165,920	12+3	16.5
1929	1,000,000	229,911	12+8	22.9
1930	1,000,000	212,526	14+6	21.2
1931	1,000,000	209,836	14+6	20.9
1933	1,000,000	*127,759	12	12.8

*Reserve for taxes $5,500 deducted.

Year	Total Assets $	Reserve Funds $	Liab. to Public $
1928	5,714,727	1,200,000	3,418,884
1929	6,062,126	1,200,000	3,693,370
1930	6,184,036	1,200,000	3,817,753
1931	6,037,422	1,200,000	3,711,304
1933	5,620,238	1,200,000	3,292,626

PAGE-HERSEY EARNS DIVIDEND LIQUIDS HIGH

(Continued from page 1)

States and that there is nothing to prevent these shipping to Canada.

The story last week from Ottawa quoted a letter from a British manufacturer to the effect that he could not quote boiler tubes in sizes between 2½ and 4 inches unless Page-Hersey Tubes would consent. The chairman of the Tariff Commision, Mr. Justice Sedgwick, was inclined to be critical of this and to suggest that advantage was being taken of the Anglo-Canadian treaty to divide markets.

Page-Hersey officials assert that there is no agreement as to price with any British manufacturer or any other. The practice has grown up of Page-Hersey Tubes manufacturing certain sizes of tubes, and other mills other sizes because that is the most economical and profitable way for all concerned they state. It is largely a question of the expense of changing over certain classes of machinery that led to this situation. One example quoted to The Financial Post was where the company had to spend $600 to change over machinery to supply a customer with $100 of tubular products. Everybody was helped by avoiding as much of that useless expense as possible. But there was no agreement and any one of 48 manufacturers could ship into Canada the sizes on which Page-Hersey concentrated if they could do better profitably as to price. So company officials say in reply.

HEAVY DRAIN ON OTTAWA FOR ANNUITIES

(Continued from page 1)

$289,435 under the heading "receipts" as an "amount transferred to maintain reserve" and also an additional sum of $184,238, which is added to total assets as an amount "to be transferred to maintain the reserve." No explanation is made in the report as to why this additional transfer was necessary.

As to operations of the annuities branch during 1933, the report indicates a considerable falling off in business as compared with the previous year. Thus, total business contracted by the branch was only 1,375 annuities as against 1,726 a year ago. Amount of purchase money received was only $3,547,345 against $4,194,384 a year ago. Immediate annuities to the number of 573 were sold during the year, the average amount being $346. A year ago the corresponding figures were 716 annuities for an average figure of $513 each. Deferred annuities numbering 802, as compared with 1,010 a year ago, were sold.

Total annuities in force at the end of the fiscal year (March 31, 1933) were as follows: immediate 5,284; deferred, 8,576, or a total of 14,400. Total amount of immediate annuities purchased under the act is $2,435,272 for an average amount per contract of $418. Since the plan was first inaugurated in 1908 the total amount of purchase money received has been $36,214,051.

N. Z. BUTTER AGAIN CAUSES CONTROVERSY

(Continued from page 1)

other, if need arises. The first is the suspension of the treaty rate on butter. This brings the ordinary preference of 8c. per lb. into play. But by holding up the shipment for 30 days, the Government gives notice under Article 4 of the treaty that all the powers of the customs and tariff acts may be invoked. If at the end of 30 days Ottawa regards New Zealand butter imports as prejudicial or injurious to Canadian producers, the preferential tariff can be exceeded. Dump duties, arbitrary valuations and all the tariff weapons at Ottawa's disposal can be used.

The understanding here is that those weapons will be used if the 8c. duty is not ample to prevent New Zealand imports from breaking the market.

Executives Promoted By MacLean Company

Col. Maclean Announces New President and New Vice-President—Reviews Company's Objectives

At a recent meeting of the board of directors of the MacLean Publishing Company, Limited, publishers of The Financial Post, important changes were made in the leading executive posts in the firm.

Lt.-Col. J. B. Maclean, president, assumed the newly created post of chairman of the board.

Horace T. Hunter, vice-president, was promoted to the position of president.

H. Victor Tyrrell, general manager, was named vice-president and general manager.

In Forty-Seventh Year

The MacLean Publishing Company Limited is in its forty-seventh year. Founded in a modest way by John Bayne Maclean, a commercial reporter on a Toronto daily newspaper, the institution has expanded steadily. Today it publishes 28 different magazines and newspapers, covering a wide variety of general and specialized fields. These publications have over 500,000 subscribers, or about two and a half million readers. About 3,500 advertisers use them regularly to carry important information regarding their business to this influential group of Canadians.

Employed in the production of these publications are 700 full time employees; a large number of part-time correspondents and special writers; and over 1,000 local agents in every part of Canada.

In 1929, the company completed a large addition to its plant, as the first unit in a larger building which will eventually replace the older quarters and provide an imposing edifice on University Avenue, Toronto. The plant occupies in all 130,000 square feet of floor space. It is thoroughly modern and up-to-date in every respect. For example, it is fully equipped with air conditioning, giving constant humidity and temperature throughout the year.

In 1932 Col. Maclean celebrated three anniversaries. He was 70 years of age; he marked his fiftieth year as a newspaper man and he completed forty-five years of history of the MacLean Publishing Company Limited.

Company Comes Through

In announcing the appointments in advance to the annual meeting of the shareholders of the company, Colonel Maclean stated that they were overdue; that Mr. Hunter and Mr. Tyrrell had in reality been carrying on the duties of their new offices for some time.

"We have every reason to be thankful for the way in which this institution has come through," said Col. Maclean, adding:

"Newspapers cannot dismiss workers and shut down as do the great majority of other undertakings. They must issue regularly or suspend.

"Experience shows that at no time are they more necessary than in such periods of great stress as we have been going through, when reliable news and wise advice, based on best experiences, not theories, lead to sound thinking and policies. The best evidences of these are (1) the way in which we have maintained, and in several instances greatly increased, our circulations; (2) the attention daily newspapers have been compelled to give to business and political problems to meet the present demands of their readers.

"Our losses among subscribers in our business newspapers have been almost entirely owing to the retirements and wrecks in business due to conditions. Our new subscribers have been the younger concerns who have stepped into their places.

"In this institution, unlike so many others, we were not stampeded into curtailments in wages or staff. We did not make cuts until we were compelled to do so by actual conditions. But at no time in our history have we given better service to our readers and advertisers. At no time in our nearly 47 years history have I been better satisfied with our institution as a whole."

Largest in Empire

Speaking of the size and scope of the institution, Col. Maclean said:

"The other day a Montreal friend asked if it were really true that we were the largest concern of our kind in the British Empire. I admitted it was true but said I had never given any thought to comparative size until an English contemporary, celebrating its 50th anniversary, boasted of being the largest in the Empire, if not in the world, and gave figures to prove it. Comparing them with ourselves, I was greatly surprised to find how far we surpassed them in the number of publications we owned, in gross incomes, in circulation, and in volume of advertising. I must admit they were ahead of us in one particular—net profits. That is, their records showed they were making much higher profits than we.

"It is true there is some satisfaction in the fact that we, in the much smaller Canadian field, have been able to build—in spite of our many handicaps—a much larger and sounder structure than most of our great world contemporaries. . . . . We have also built up an unsolicited circulation abroad. The latest information I have on the latter shows that our papers are now read regularly in 71 foreign countries. This does not include the publications we own in England and the United States.

"What we have done other Canadians are doing or can do in their special fields."

For Adult Education

Business and other specialized newspapers, said Col. Maclean, had been described by Dr. Hutchins, the brilliant and progressive young president of the University of Chicago, as "media for adult information and education."

The particular job of the company's newspapers, said Col. Maclean, was to gather from the world's best sources the news of real value; to interpret it in the light of experience and to advocate such policies as would bring prosperity to the readers in particular and the country as a whole. It was necessary to watch closely political developments in their reaction on the business and prosperity of two and a half million readers.

Col. Maclean recalled a remark made by the late John R. Bone, managing editor of the Toronto Star and one of the best newspapermen in the country, that The Financial Post had an almost uncanny faculty for getting news.

An important supplementary service was rendered by all the papers through the mail. Often 50,000 enquiries a year were answered, 99 per cent of them on business and other practical problems. The enquiries had to be answered by the editors and other specialists on the staff; extensive enquiries often had to be made to obtain special information; to give this service involved spending hundreds of thousands of dollars.

Privately Owned

No outside capital had ever been invested in the MacLean Publishing Company, said Col. Maclean, adding:

"There is another and very important comparative phase in which we have differed from our three largest British and United States contemporaries. They have had millions of outside money from bonds and shares sold to the public. We have not now and never had at any time in our history one cent of outside capital. For resisting the millions of easy money that have been offered to me by stock-watering promoters or by investment bankers I can never be too thankful. Easy money, foreign loans with all their demoralizing influences, have been the curse of public and of many private enterprises in this country.

"Our shareholders are, exclusively, old and tried members of the staff who began fifteen years ago investing their savings in our shares. Until then, for 31 years, I never drew a dividend. I have always got more joy out of good services to readers and advertisers and to the general public, from the progress and achievements of members of my staff, than from profits. This I would say, from observation and knowledge, is the basis on which so many of the world's finest institutions have been built.

"Technically, we are a private corporation, but in practice we have always operated as a public service institution."

Col. Maclean explained that he had always considered his occupation as primarily that of "a reporter going about the world seeking news of practical value;" and secondly, "that of the headmaster of a great national school of grown-ups."

"Ideal Combination"

Mr. Hunter, the new president, he said, had come directly to the company from university nearly 31 years ago. Unlike many graduates he wanted to start at the bottom. Mr. Tyrrell, after serving an apprenticeship in a country newspaper office, had joined the company's mechanical staff 37 years ago and had filled executive positions in practically every important department. "These experiences make an ideal combination," remarked the Colonel.

Sees Bright Future

Outlining his view of the future before Canada and the company of which he is the head, Col. Maclean said, in part:

"We are tremendously handicapped, operating in such a small field—Canada with 10,000,000 population. There are many things we cannot do in a big way, yet right here in Canada there are many opportunities running to waste over the dam that, under intelligent, experienced direction and hard work, can be developed into institutions just as big and successful as ours. In these there are scores, yes hundreds, of good positions that can lead to great services for Canada and Canadian development, and prosperity and happiness to those who have the vision, imagination and courage to fill them. Some of them we are planning to, and will, occupy ourselves. Though 1933 has been one of our most difficult years, we embarked on important developments. These we had been studying and have had in contemplation for years. We felt that now was the best time to lay the foundations, and I am happy to say the progress has been satisfactory. I cannot get away from the strong belief that during this depression there has developed for us—for Canada, for the Empire and for the United States—a future of prosperity that has really far overshadowed our sufferings of the last few years.

"Really, this organization has touched only the fringe of its opportunities and possibilities in Canada alone.

Canada's Hope

"For more than half a century I have, based on information and experience, seen that Canada's best hope for the prosperity and happiness of Canadians lay in:

"1. The closer unity and understanding of the provinces and peoples of Canada.

"2. The development of our Empire under preferential trade.

"3. The bringing gradually, step by step, of the United States into this Empire trade arrangement.

"From our very beginnings, nearly 47 years ago, our papers have never ceased to advocate these policies. I believed in them so strongly that I never gave a hang whether masses of our readers approved of them or not. I was sure I was right. Developing prosperity of all Canada on behalf of my readers was my life job and I never allowed temporary selfish class interests to stand in the way.

"Empire trade is now a fact and it is developing more successfully than even I, optimist as I am, had anticipated.

"As I see it, we are entering upon the most tremendous development in Canadian commerce and industry. Unfortunately we are taking only partial advantage of our very great opportunities. We are not taking full advantage mainly because our people lack the information and experience necessary; a lot of them are still working on and have a backstreet vision. All are handicapped by excessive and wasteful taxations, hampering laws and regulations unjustly enforced by petty but dictatorial officials.

"Information and Education"

"If we could make all our readers see the possibilities of home and Empire prosperity and how easy they are to attain, and if they had the faith in the future of Canada that 52 years in business and political journalism have taught me, and if they would, each in his own sphere, do their part publicly and privately and do it courageously, honestly and well, our recovery would not only be rapid but unparalleled.

"To carry out this process of information and education this organization must and should be the biggest factor; and the more successfully and fearlessly we do our part, the more rapidly will Canada's and our own prosperity come."

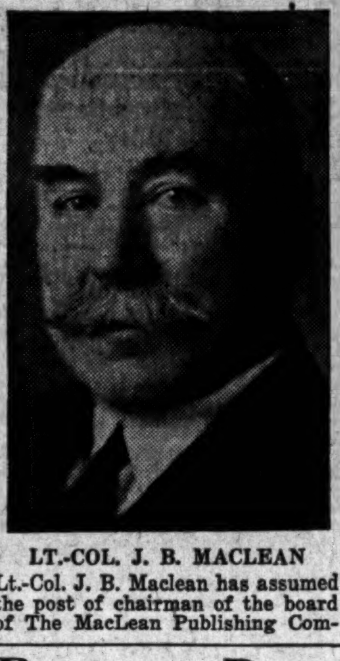
Grows Twenty-Fold

In reply to Colonel Maclean's remarks, Mr. Hunter recalled that when he joined the company it had only five publications and the volume of business was probably not more than five per cent of what it is today, but Col. Maclean was even then a national figure and the five publications were a power in the business and public life of the country. Today the influence of the company's papers was wider and their prestige greater because the sound editorial policies and fair-minded business policies on which the company business was founded had been adhered to.

Mr. Tyrrell, in his remarks, referred to Col. Maclean's remark that "our news and editorial service must always be our first consideration." He recalled how Maclean's Magazine came into being. It was founded as a supplementary service to readers of the company's business and technical newspapers. It was first called The Business Magazine and later The Busy Man's Magazine. Then the name was changed to Maclean's. He added:

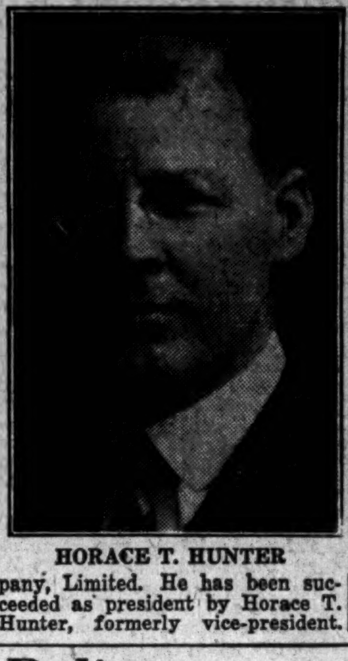
"As its circulation, unexpectedly and without effort on our part, spread into the homes, we had to introduce general magazine features, such as Canadian fiction and articles particularly of interest to women and all members of the family. For this we had to find and train many young writers, some of whom are now world figures, and bring women and the home into the picture; but the magazine has ever maintained its strong business information and has had a remarkable record of strong, sound, national and Empire leadership, which, during 1934, is to be further strengthened."

New President and Vice-President



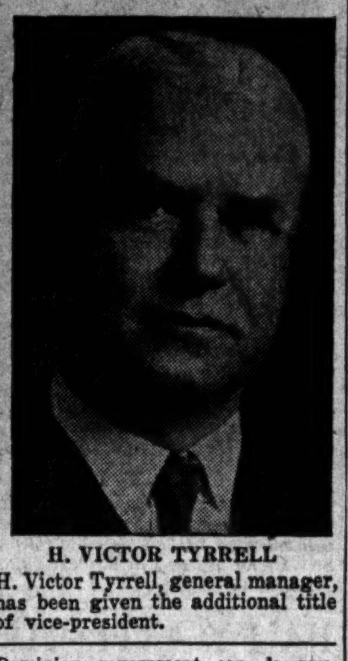
LT.-COL. J. B. MACLEAN

Lt.-Col. J. B. Maclean has assumed the post of chairman of the board of The MacLean Publishing Company, Limited.



HORACE T. HUNTER

He has been succeeded as president by Horace T. Hunter, formerly vice-president.



H. VICTOR TYRRELL

H. Victor Tyrrell, general manager, has been given the additional title of vice-president.

Revenue Dept. Rulings Bring Many Protests, Tariff Board Swamped

Changes in Tariff Also Asked by Many Firms

ONE U. K. PROTEST

Appeals, Though Small Individually, Important in Aggregate — Cover Wide Field

From Our Own Correspondent

OTTAWA.—A flood of appeals against rulings of the National Revenue department.

One additional application from a British industry for a reduction in tariff.

One major and several minor applications for tariff changes from Canadian producers.

These events, occurring in the past week, step-up the operations of the Tariff Board and, with a budget coming in the near future, attach even greater importance to its activities now than heretofore.

List Six New Appeals

The appeals cover six commodities, five of which are of minor importance in themselves. But collectively they cannot do other than compel an early settlement of the controversy between the Board and the National Revenue department. In hearing these appeals the Board again declares its competence to act as an Appeal Court in the matters of tariff administration—a contention which the department and the cabinet has declined, so far, to concede.

Six new appeals are listed and these include the tariff classification of Kemtac Corn flour, trolley buses, crude glycerin drums, rubber and celluloid combs. The sixth is felt hats and in this case Anderson-McBeth Co., and Peter Ruttiman Ltd., both of Toronto, are challenging the legality of the arbitrary valuations now in force against imports from Great Britain. The Tariff Board on two occasions has ruled these valuations illegal, but the department has decided to maintain them pending the hearing of the appeal of the cabinet in the case of jute twines.

Whisky Tariff Questioned

The new British application concerns the tariff on British whiskies. It is advanced under the Anglo-Canadian treaty but differs radically from preceding British cases in that the treaty is scarcely mentioned. The treaty declares that the Preference shall be used only to equalize production costs in the two countries and it is the function of the Tariff Board to discover the amount of this difference. The British distillers, however, ignore production costs entirely; give no figures on their own industry; make no claims respecting Canadian costs. Their application, essentially, is a request for lower tariff supported by data to prove that the present day tariff is much higher than would appear from a glance at the tariff item.

This item imposes a duty of $8 per gallon on British spirits. An excise tax of $7 per gallon is imposed on domestic production, ostensibly leaving the net protection at $1 per gallon. The British contend that in reality the protection is $3.97 per gallon which, with provincial "discriminatory" prices, works out at slightly more, on average, than 100 per cent. They claim that the Anglo-Canadian treaty really has worked injury to them; that their competitive position prior to the treaty was better than it is today.

Their application accounts for this difference between $1 and $3.97 per gallon tariff as follows:—

First, the duty is assessed on the basis of all imports being 15 degrees under proof, whereas the excise tax on domestic spirits is imposed on actual strength. The average strength of both Canadian and British spirits is 25 degrees under proof. Thus a duty of $7 on the actual strength of Canadian whisky compared with a duty of $8 on British whisky figured at 15 degrees under proof confers a marked advantage on the home industry.

The origin of this policy, the application declares, goes back to pre-prohibition days. There were so many importers then that customs officials could not test each shipment and therefore applied the 15 degrees under proof as an average. The British state that their average today is 25 degrees and that since there are only a few importers (the provincial liquor commissions) there is no reason why shipments should not be tested. If the tariff was imposed on a 25 degree basis it would reduce the duty from $12.08 to $10.90 per gallon. The $7 excise on the 25 degree basis works out at $8.11.

Sales Tax Problem

Then there is the sales tax of 6 per cent. This tax, contrary to common belief, is not imposed on the selling value of British whisky. Some years ago an amendment was put through declaring that in cases where foreign governments imposed an excise tax, this tax must be included in the value upon which the Canadian sales tax would apply. The British excise tax on spirits is 72 shillings, 6 pence per gallon and when this sum is included in the Canadian value for sales tax, the increase in the charge is $1.47 per gallon. If this practise were discontinued the charges would fall from $10.90 to $9.43.

The British distillers particularly object to this practice. They do not understand why it should be; they brand it as an "indefensible procedure," and they adduce powerful arguments against it. They point out that domestic taxation in non-Canadian countries may easily determine what the Canadian tariff will be. The preference may be vitiated, for example, if Britain has a high excise tax while some other country has none at all, or a low one. In point of fact they declare that France, having a very low excise tax, is able to ship brandy to Canada at an advantage over Scotch whisky of $2.02 per case. This is cited to prove, "how illogical is this application of the sales tax by the customs department and how any preference that may be given to Great Britain may be destroyed if some foreign country will keep its domestic duty sufficiently low."

Important to Canada

The British distillers appear not to realize how important to Canada is this sales tax policy. If they did their application would probably ask to be excepted rather than that the policy be reversed. The explanation goes back to a time when Japanese art silks were flooding the Canadian market. The competition was unfair but how to stop it was a question which baffled the Canadian government for some time. Finally the change in sales tax enforcement was hit upon. Following the earthquake, Japan had imposed a very high excise tax on silk to meet losses caused by the 'quake. Thus the dumping of Japanese silks was halted.

Summarizing these figures:

The present tariff per gallon on British whisky is $3.97 greater than the excise charge on a similar quantity of Canadian whisky. If the tariff were imposed on the basis of 25 degrees under proof, and if the British excise tax was excluded, the difference in favor of Canadian distillers (their net protection) would be $1.32 per gallon. This net protection would be acceptable to the British.

Finally, the application complains of the practice of provincial liquor commissions in taking a higher profit from British than from Canadian spirits. The average excess is given at 10 per cent of $3.20 per gallon. While complaining of this, the application does not suggest that the Dominion government can do anything about it.

Ask Higher Copper Tariff

Seeking an increase in tariff on copper bars, rods, strips, sheets and other products, Anaconda American Brass Ltd., has filed an application with the Tariff Board. The application makes out an equally strong case for a tariff increase on brass products but owing to the fact that brass is covered in the Anglo-Canadian treaty, no change is requested.

The Anaconda case has been ably prepared and is signed by J. Earl Lawson, presumably the Conservative member for West York. The main argument is that:—

Anaconda's Case

1. The present tariff on the finished copper products is lower than the tariff on the raw material.

2. The present tariff is not sufficient to equal the difference in production costs between British and Canadian producers.

The application points out that under these conditions Anaconda, although possessing a highly efficient up-to-date plant has been unable to make a profit since 1929 and is unlikely to do so until the tariff is revised.

Has Big Investment

Anaconda has an investment of $4,100,000 and employs many hundreds of persons. At the present time the tariff on the finished products, both copper and brass, is 5 per cent preferential, 10 per cent intermediate and general tariffs. The value of these products average 18 cents per lb., so that the duty is equivalent to .9 cents per lb. Copper and zinc, the raw materials, are dutiable at ¾ cents per lb., preference, and 1 cent per lb., intermediate and general. The company requests an increase in the tariff on the finished copper products of 2 cents per lb.; 4 cents; 4 cents.

In 1929 the 5 per cent tariff against British products (copper was worth 18 cents per lb.) was double what it is today with copper selling at 9 cents per lb.

Many Purchasers

The products of Anaconda are sold to manufacturers of automobiles, motorcycles, tractors, aircraft, telephones, telegraph instruments, radios, phonographs, pianos, musical instruments, electric power installations, turbines, motors, generators, fuses, fans, lamps, heaters, meters, transformers, refrigerators, vacuum cleaners, washing machines, household electrical equipment, stoves, kitchen utensils, roofs, leaders, eavetroughs, flashings, down spouts, plumbing supplies, hardware trim, locks, bathroom fixtures, lighting fixtures, elevators, ornamental trim, terrazzo strip, radiators, fire extinguishers, lightning rods, safes, vaults, ventilators, weatherstrip, railway cars, tram cars, locomotives, steam engines, shipbuilding, pulp and paper machinery, sugar machinery, mining and oil refining equipment, dairy apparatus, welding materials, pumps, compressors, dryers, tanks, vats, stills, coils, bolts, nuts, rivets, screws, screw machine parts, knives, forks, spoons, hollow ware, safety razors, pins, fasteners, buttons, hooks and eyes, watches, jewellery, stencils, vases, urns, jardinieres, ammunition and other products.

Important Case

This list makes it apparent that the case is one of the most important to reach the Tariff Board. The products of Anaconda are, to a greater or lesser extent, the raw materials of these manufacturers and they will, naturally, be interested in a move to increase the tariff. Whether or no they appear before the Tariff Board their views will be ascertained.

Fence Makers Protest

Two manufacturers of wire fencing, the Sarnia Fence Company and the Lundy Fence Company, of Toronto, have sponsored an application of importance to farmers, poultrymen and the fur industry.

Their case, briefly, is as follows:

In recent years the demand for fencing has undergone an important change. Whereas the public used to ask for fencing made out of wires of three diameters—.144, .104 and .092 inches—the present demand is for other sizes. The tariff recognizes the advisability of giving the primary producers already mentioned cheap fencing by making these three sizes (item 401d) dutiable at preferential, free; intermediate and general 10 per cent. Other sizes are dutiable at 15, 20 and 20 per cent.

The tariff on the completed fence, when made from wire of sizes varying from .080 to .144 inches in diameter is preferential free, intermediate 12½, general 15 per cent.

Duty Too High

The applicants contend that the change in the type of fencing now in demand has resulted in the raw material bearing a higher rate of duty than the finished product. Moreover, they contend that there is but one manufacturer in Canada who produces wire suitable for fence making and that this manufacturer is "dictating" the price. They declare that the off-size wire now in demand for fence making is quoted in foreign countries at an advance of from 5 to 6 cents above the price of staple widths. This spread, says the application, "is universal and exists in England, Belgium, Germany and the United States. A monopoly having been created, Canadian farmers and Canadian fence manufacturers are asked to pay an extra of 30 cents per 100 lbs."

The applicants ask the Tariff Board to recommend that tariff item 401d be amended, giving the low rates of duty to wire of from .056 to .144 inches in diameter. This would include all the wire used for fence making and, in their view, would be carrying out the original intention of the item.

Jewellery Firms Protest

Three jewellery firms, Henry Birks and Sons, International Silver Company, of Hamilton, and Roden Bros., of Toronto, reveal an anomaly in the tariff and ask the Board to recommend its correction. They point out that silver toiletware has never been classified under the various items. Thus a sterling silver toilet set brush is dutiable as a brush and goes into the same tariff item as scrub brushes, kitchen brushes, etc. A sterling silver nail file classifies with files and rasps, including the blacksmith's sledge hammers, ordinary picks and crowbars. And so forth.

The tariff on silver is Preferential 30 per cent, Intermediate 37½ per cent, General 45 per cent. But the tariff on brushes, for example, is very low—17½ per cent under the preference.

German Competition

The jewellers point out that they are struggling to maintain an industry in Canada. They have upwards of $1,000,000 invested and employ 330 persons. They complain of severe competition from Germany, Great Britain and the United States. They ask that the Board recommend that articles of which the component of chief value is silver should be dutiable under the silver item.

Another application, entirely opposite in its nature is made by the Electric Chain Company of Toronto. This application declares that tubing and wire used in the manufacture of jewellery are now classed as dutiable under the gold and silver item, already quoted. These articles, they point out, are raw materials, and, since they "cannot be economically made in Canada," should bear a lower tariff. They suggest duties of:—Preferential 7½, Intermediate 12½, and General 15 per cent. The Smith-Nemo Company, of Hull, raises a similar point in asking for lower rates of duty (now 40 per cent) on findings and stampings of nickel, silver and Britannia metal. These, it is claimed, are not made in Canada.

The Smith-Nemo Company raises another question in asking that alabaster bases for imitation pearls be admitted under lower rates of duty. The present tariff is 22½ per cent, while the tariff on the finished pearls is only 10 per cent. It is inferred that the bases are not made in Canada.

The Canada Metal Company, of Toronto, asks for a revision of the tariff on ingot brass which is now dutiable at 10 per cent. This works out at about half a cent per lb., or slightly better. The duty on copper is 1½ cents per lb., and on zinc 1 cent per lb. These are the raw materials from which ingot brass is made.

New Business of Great West Up 16 Per Cent

A gain of 16 per cent in new business issued during 1933 is reported by Great-West Life Assurance Co. in preliminary figures issued by the company last week. The 1933 total of $54,231,000 is $7,500,000 above the corresponding total of 1932. Another announcement made by the company is that a slight increase in policyholder dividends will be made in 1934.

Total business in force at the end of the year is $28,000,000 less than in 1932—a decline of 7 per cent from the total at the end of 1932.

Assets are $1,000,000 lower than a year ago, the company having further written down doubtful items. Of the total, 36 per cent are in bonds and debentures; 23 per cent in city mortgages and 18 per cent in farm mortgages. Policy loans comprise 22 per cent.

Comparative figures available prior to the annual meeting on Feb. 6, follow:

	1933 $	1932 $
Insurance in force	552,294,135	580,536,809
New bus. issued	54,230,719	46,653,380
Total income	26,550,844	27,583,439
Policy paymts.	21,867,679	21,219,316
Surplus earned	5,165,772	2,795,269
Assets	134,762,165	135,738,365
Policy reserves	128,527,215	129,607,861
Contin. res., surp.	5,234,950	5,130,504

DAVID ET FRERE REPORT DEFICIT FOR LAST YEAR

Taxation Grows Burdensome — Write-Off Value of Goodwill

From Our Own Correspondent

MONTREAL. — Manufacturing profits of David et Frère, Quebec biscuit manufacturers, continued unsatisfactory during 1933, though working capital position was maintained despite difficulties of operation.

In the 1933 report to the shareholders, the president states that consumption of David et Frère products was on about the same level as in 1932. On the other hand, taxation has increased to such an extent that the company and the industry in general, is finding difficulty in carrying on. It is pointed out that on sales and sugar taxes alone, the tax in 1933 amounted to over 10 per cent of the total net sales. In addition there were federal, provincial and municipal taxes.

Report Another Deficit

Operating profits in 1933 totalled $11,913. This compared with $15,688 for the preceding year. After taking into consideration depreciation charges, there was a deficit for the twelve months of $19,702, as against $16,735 in 1932.

Comparative figures on the profit and loss account for the past two years follow:

	1933 $	1932 $
Oper. prof.	11,913	15,688
Deprec.	31,615	70,313
Bldg. demol.	......	2,111
Net loss	19,702	16,735
Prev. surp.	54,265	71,001
P. and L. Bal.	34,563	54,266

Working Capital Position

	1933 $	1932 $
Curr. assets	189,113	179,348
Curr. liabs.	49,117	40,764
Work. capital	139,996	138,584

The principal change in the balance sheet at December 31, 1933, which showed total assets of $437,881, was the writing down of goodwill from $451,571 to $1. This caused a shrinkage of a corresponding amount in aggregate value of assets. The management state that a few years ago the carrying of this item on the balance sheet was justified, but in view of changed conditions it was no longer considered justifiable to show this item.

The writing off of goodwill reduced the amount shown opposite capital stock from $805,000 to $354,200. This action, of course, does not in any way affect the shareholders' equity, as goodwill was necessarily an intangible item.

There is no major change among the items listed under assets, except fixed assets, the value of which have been placed at $245,022 in order to compensate for the writing off of goodwill.

It is Our Firm Policy

It is our firm policy to strive to render to all clients a very high standard of business and financial service and at the same time to render an equally good personal service to beneficiaries.

Crown Trust Company

393 ST. JAMES STREET • MONTREAL

LET US SERVE YOU AND YOUR FAMILY

Newsprint Output Grows; Code Hearing Scheduled

From Our Own Correspondent

MONTREAL. — Production of newsprint in Canada and the United States during the first half of January was appreciably higher than that recorded for the corresponding period in January, 1933. The gain in Canada has been most marked due to an increased demand for newsprint paper by American publishers. The gain in the United States was as pronounced, but the trend is regarded as distinctly hopeful for the first half of the year.

Meantime, the proposals put forward by the Code Authority under the N.R.A. newsprint code and the agreement between N.E.MA.C. (Newsprint Export Manufacturers' Association of Canada) and the Association of Newsprint Manufacturers of the United States comes up for public hearing this week. This agreement, in the main, provides for the maintenance of a minimum price of newsprint sales in the United States—$41 a ton with zone differentials.

Preliminary reports are to the effect that the American Newspaper Publishers Association will register strong opposition to some features of the agreement, especially those sections having to do with price changes during 1934. The manufacturers are asking for an adjustment of prices next April, based upon costs of manufacturing brought about because of the N.R.A. Many of the publishers regard this as tantamount to an increase in their paper costs.

War on Waste

Numerous Canadian cities are considering various types of public works expenditure. Public works committee of Edmonton, for example, recently proposed a list of projects estimated to cost $4,309,000 to the city council. Below are a few of the items:

Item:	$
Schools	500,000
*Completing stadium	66,000
*Museum and art gallery	50,000
†Central arena	750,000
†Grandstand at fairgrounds	100,000
	1,466,000

* "Partially Self-liquidating."
† "Self liquidating."

Schools, built to excess, have been a cause of financial embarrassment in some Canadian municipalities. They add to tax rates, make it necessary to add to staff. Stadia in many cases in large North American cities have not been paying enterprises. Museums and art galleries usually only earn a small part of their keep. Far from being "partially self-liquidating," they are usually expense-creators.

Arenas, even in large cities, have often been heavy losers. A grandstand might pay its way, indirectly, if not directly. It can be seen, however, that most of these items mean adding to costs, and are not "self-liquidating" as they were designated. Canadian municipalities should guard against such wastes that raise taxes without adequate return.

Turner Valley Active

Two new oil wells are about to be started in the Turner Valley of Southern Alberta and it is expected that ten new wells will have been started by the first of April.

We take pleasure in announcing that

Mr. JOHN J. QUINLAN, Jr.

has become associated with us and has this day been elected a Director of the Company.

COLLIER, NORRIS & HENDERSON
LIMITED

ALDRED BUILDING, MONTREAL

W. T. K. COLLIER — H. B. NORRIS
K. A. HENDERSON — J. J. QUINLAN, JR.

January 29, 1934

The TORONTO SAVINGS AND LOAN COMPANY

FORTY-NINTH ANNUAL REPORT

Paid-up Capital — $1,000,000.00 — Reserve Fund — $1,200,000.00

General Statement, 31st December, 1933

ASSETS

Office Premises		$ 70,000.00
Real Estate Owned		1,071,712.00
Rents due and accrued		12,837.67
Mortgages—(including Agreements for Sale)		
Principal	$ 754,798.45	
Interest, due and accrued	29,795.47	
		$ 784,593.92
Bonds and Stocks Owned:		
Bonds of Dominion of Canada and Provinces thereof	$ 598,210.90	
Bonds of Canadian Municipalities	175,365.44	
Other Bonds and Debentures ..	467,454.64	
	$1,241,030.98	
Stocks	2,109,620.21	
		$3,350,651.19
Loans on Stocks and Bonds		12,450.00
Cash—On hand and in Chartered Banks		317,590.86
Sundry Accounts due Company		402.63
		$5,620,238.27

LIABILITIES

To the Public:		
Deposits	$1,361,117.65	
Currency Debentures	1,402,884.21	
Sterling Debentures	528,624.42	
		$3,292,626.28
To the Shareholders: (Capital Stock Subscribed: $1,000,000.00)		
Capital Fully Paid	$1,000,000.00	
Reserve Fund	1,200,000.00	
Profit and Loss Account	97,111.99	
		$2,297,111.99
Reserve for Government Taxes payable in 1934		5,500.00
Dividend payable 2nd January, 1934		25,000.00
		$5,620,238.27

Profit and Loss Account
For the year ending 31st December, 1933

Balance at Credit of Profit and Loss Account, 31st December, 1932	$ 89,352.72
Net Profit for the year after deducting charges of Management, Interest on Deposits, Debentures, etc.	133,259.27
	$ 222,611.99

Appropriated as follows:	
Dividend No. 156 at 14% per annum	$ 35,000.00
Dividend No. 157 at 12% per annum	30,000.00
Dividend No. 158 at 12% per annum	30,000.00
Dividend No. 159 at 10% per annum	25,000.00
To provide for Government Taxes payable in 1934	5,500.00
Balance carried forward	97,111.99
	$ 222,611.99

We hereby certify, to the best of our knowledge and belief, that the above statement is correct, and shows truly and clearly the financial condition of the Company's affairs at 30th December, 1933.

Peterborough, January 5th, 1934. W. G. MORROW, Vice-President; H. W. MORPHET, Secretary.

AUDITORS' CERTIFICATE

We hereby certify that we have carefully audited the Books and Accounts of the Toronto Savings and Loan Company for the Year ending 31st December, 1933, and have verified the cash, bank balances, and securities of the Company; that we have examined the Statement and that it agrees with the Books of the Company.

That after due consideration we have formed an independent opinion as to the position of the Company; that with our independent opinion so formed, and according to the best of our information and the explanations given us we certify that in our opinion the statement sets forth fairly and truly the state of the affairs of the Company.

That all transactions of the Company that have come within our notice have been within the powers of the Company.

Peterborough, January 5th, 1934. F. J. A. HALL, A. J. REYNOLDS, Auditors.

Utilities and Transportation

Shawinigan Report Shows Strengthening of Position Over Past Twelve Months

Share Earnings Lower Due to Larger Write-Offs

SALES ARE AT PEAK

Chemical Division Recovery is Feature — Have Capital Needed to Complete Rapide Blanc

From Our Own Correspondent

MONTREAL. — Shawinigan Water and Power Co.'s statement for 1933 as contrasted with that for 1932, shows maintenance of earnings, general strengthening of the balance sheet, together with a broad expansion of operations.

The first half year of the company's operations showed a decline in revenue from the sale of electricity but during the second half year the loss was more than fully recovered with a resulting increase in revenue for the year from this source. All firm power contracts in existence at the end of 1932 continued in force, but some adjustments were made with customers with respect to their secondary power requirements.

The general trend of domestic use during the last few months of 1933 showed an increase in kilowatt hour consumption, although there was as great an increase in the number of customers as in previous years.

Output Registers Gain

The total output for 1933 was 3,901,772,127 kilowatt hours, compared with 3,266,815,903 kilowatt hours for 1932. Of this output, 1,343,859,833 kilowatt hours were sold as secondary power, compared with 974,173,453 kilowatt hours in 1932.

While the aggregate volume of power sales was larger than in 1932, the greater amount sold for secondary power requirements kept down revenues, including special income, to $11,945,863. This compares with $12,635,279 in 1932. This decline was largely offset by a decline in the premium paid on the purchase of United States funds to meet bond interest. The amount available for distribution on the common stock equalled 84 cents a share. This was not as great as in 1932 owing to the fact that the company took the occasion to write off larger amounts for depreciation, etc.

Following are comparative income account figures:

	1933 $	1932 $
Gross revenue	11,945,863	12,635,279
Less: Expenses	5,189,692	5,246,364
Net earnings	6,756,171	7,388,915
Less: Fixed charges	4,113,128	4,054,443
Int. on dev. work	300,000	......
Deprec.	800,000	800,000
Spcl. deprec.	300,000	......
Net income	1,843,043	2,534,472
Less: Dividends	1,089,125	1,638,688
Cont. res.	300,000	300,000
Balance	453,918	600,784
Brought forward	*780,895	‡576,456
Carried forward	1,234,813	888,098

*Less $107,205 for income tax.
‡Less $289,142 for income tax and adjustments.

Sold Small Blocks of Bonds

At the end of 1933 the company's balance sheet showed assets totalling $178,221,898. This compares with $176,270,689 at the close of 1932. Among liabilities it is noted that funded debt has increased $400,000, which represents a similar amount of the 6 per cent 6-year notes sold to the company's pension fund.

Owing to a change in the ruling of the Federal Income Tax Department regarding depreciation, the company transferred $700,000 from the reserve account to depreciation and renewal reserve. This transfer, together with sums appropriated during the year, brought about an increase in the depreciation reserve from $9,570,466 to $11,189,965.

Change in Fixed Assets

A re-alignment took place in the amounts and classifications of the fixed assets of the company. This provided for more accurate information for the treatment of the depreciation requirements. In the 1932 report, power development and property was lumped together and shown on the balance sheet at $89,398,585. In the report for last year, power development is shown at $60,508,894 and property at $28,900,015. Machinery shows a drop of about $1,000,000 in value to $22,231,951. Transmission and distribution systems, on the other hand, have increased in value from $33,907,413 to $37,753,509.

Securities of subsidiary and other companies held by Shawinigan are shown on the books at $22,450,195, or about $1,500,000 less than in 1932.

Liquid Position Strong

Current assets show that the company has maintained a strong liquid position. Cash on hand, call loans, etc., have increased from about $2,700,000 to $3,400,000. Accounts and bills receivable have declined about $200,000 to $1,823,046.

Stores and movable plants are carried on the books at $844,250, or slightly less than in 1932. Prepaid charges are roughly the same at $262,577.

Rapide Blanc Project

In his comments upon operations last year, Julian C. Smith, had the following to say in part:

"As of December 31, 1933, there has been charged to capital account in the books of the company $12,252,609 as the cost to date of the Rapide Blanc development. As reported to the shareholders in the circular letter of November 15, 1933, the directors had decided in September to proceed with the completion of this development. The cost of the whole development, including interest during construction, will be approximately $14,000,000.

"The Rapide Blanc development on the St. Maurice River, 115 miles north of Shawinigan Falls by the river, will ultimately comprise six 40,000 h.p. units or a total of 240,000 h.p. The dam, power house foundations and other permanent works are completed for all the six units. Work is proceeding on the completion of four units which will be in operation by the early summer of 1934.

Have 809,200 h.p.

"With this installation the company will have available from its own power plants a capacity of 809,200 electrical h.p. and a capacity of 55,000 hydraulic h.p. and in addition 110,000 h.p. purchased from other companies.

"During the past year no bonds have been drawn down, under the provisions of the Trust Deed, against the capital expenditures on the works at Rapide Blanc, nor against other capital expenditures. The works which have been constructed and properties acquired to the extent of $3,812,605 have been hypothecated to the trustee in exchange for an amount of $4,851,000 of bonds of Shawinigan Chemicals Limited, leaving in the hands of the trustee as part of the collateral to the company's first mortgage and collateral trust sinking fund gold bonds an amount of $4,000,000 Shawinigan Chemicals Ltd. first mortgage gold bonds. As indicated in the balance sheet, the company holds, available for its requirements, an amount of $8,751,000 of bonds.

Quebec Holds Control

"The shares of the company now held by 20,128 shareholders as compared with 19,922 in 1932 are distributed as follows:

	Per Cent
U. K. and Europe	16.50
United States	11.15
Canada	72.10
Miscellaneous	.25

"Of the total, 1,313,844 shares are held in the Province of Quebec by 12,736 shareholders.

Chemicals Doing Well

"The business of Shawinigan Chemicals Ltd. has improved during the year. After deducting manufacturing costs, administration and other expenses, the balance before bond interest is $825,080.82. From this sum, there has been applied to depreciation and obsolescence reserve an amount of $411,800.25, leaving a surplus of $413,280.57. From this surplus there has been paid to The Shawinigan Water and Power Co. the sum of $310,530.00, constituting the bond interest for the half-year ended December 31, 1933.

Domestic Demand For Electricity Up

From Our Own Correspondent

MONTREAL. — Domestic consumption of electrical energy in Canada last December was greater than for any other similar month in the history of the central electric industry in Canada. Returns compiled by the Dominion Bureau of Statistics show a consumption of 1,608,538,000 kw.h.

Detailed figures show increased consumption in Ontario, the Prairie Provinces and British Columbia in December as compared with the preceding month. In the more significant comparison with December, 1932, however, all areas show an increase with the exception of the Maritime Provinces, which reported a fractional decline. The most notable gain during the year has been recorded by Ontario.

TOLL BUSINESS MAR. TELEPHONE MOVES UPWARD

Stations Installed at End of 1933 Declined to 37,868

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. reports 37,868 stations installed at the end of December, 1933. This compares with 37,916 stations at the end of the preceding month, a net loss of 48. During the same period the Island Telephone Co., a controlled unit, reported a decline in the stations installed from 5,491 to 5,481.

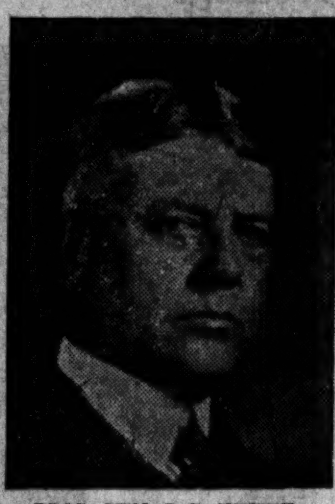
Toll traffic of Maritime Telephone lines has been steadily increasing since August, but the increase was not great enough to offset the loss sustained in the first seven months of the year. For 1932 the average months toll traffic was 107,351 calls, while the average for 1933 was approximately 101,000 calls, a decrease of about 6,300 calls a month during the year.

The average month's drop in toll traffic of 1932 over 1931 was 14,046 calls. In the past year, accordingly, there is shown a substantial improvement, and from present indications, 1934 will show a still further betterment.

Applications to Board

Maritime Telephone has made application to the Nova Scotia Board of Commissioners of Public Utilities for an order permitting it to set up on its books the full value of its stores and supplies. Approval is also asked for a schedule of service rates and regulations for small dial exchanges; for the revision and consolidation of the schedule of rules and regulations applying to telephone service generally, and sundry incidental changes of rates for service.

Heads Paper Men



BRIG.-GEN. J. B. WHITE
Vice-president of Canadian International Paper Co., who has been elected head of the Canadian Pulp and Paper Assoc., in succession to Howard Crabtree.

HALF YEAR PROFIT OF POWER CORPN. ON LOWER SCALE

Sufficient Cover Dividend on Both Classes of Preferred

From Our Own Correspondent

MONTREAL. — Power Corporation of Canada's earnings for the first six months of the company's fiscal year ended June 30, 1934, shows net earnings sufficient to cover the preferred stock dividend.

Gross earnings for the six months ended December 31, 1933, totalled $724,807, as compared with $797,838 for the corresponding period of the previous year. Operating expenses showed a decline in the past half year, leaving net earnings at $586,960, against which debenture interest amounted to $269,894. For the first half of the 1933 fiscal year, net earnings totalled $634,263 against which debenture interest totalled $280,337.

In addition to the above, the company reports profits from sale of investments for the six months ended December 31 last, amounting to $124,942.

Reduce Issued Debentures

During the same period the company acquired for cancellations $359,700 of its 4½ and 5 per cent debentures, making a total of $1,578,700 acquired in the open market for cancellation up till the end of 1933. This reduces the company's funded debt to slightly more than $11,000,000, as compared with an original issue of $15,000,000.

The kilowatt hour output of electrical energy of the various utility companies, which Power Corp. of Canada controls, or holds a substantial interest in, registered an increase of 2.5 per cent in the last six months of 1933 compared with the same period for 1932. Aggregate output amounted to 838,436,422 kw.h. as against 817,999,570 kw.h. in 1932.

Gain in Output

During the closing months of 1933, output of the Power Corp. group tended to record a greater increase than that reported in the earlier months. The December output registered an increase for the fifth consecutive month. Production amounted to 160,766,158 kw.h. as against a corresponding total of 154,472,924 kw.h. for December, 1932, an increase of 4.07 per cent.

Comparative kw.h. figures for December are as follows:

	1933	1932
Southern Canada	14,820,900	14,906,290
Canada Northern	41,828,670	38,864,050
East Kootenay	6,197,408	6,282,384
B. C. Power	44,896,946	44,770,950
Northern B. C.	967,234	745,650
Winnipeg Electric	16,407,300	16,559,300
Manitoba Power	35,391,000	32,053,000
Northwest. Power	236,700	291,300
Totals	160,766,158	154,472,924

HALIFAX HANDLES LARGER TONNAGE

Increase in Trans-Oceanic Trade Reflected in Port Figures

From Our Own Correspondent

MONTREAL. — Though fewer vessels entered and cleared the Port of Halifax in December, 1933, as compared with the same month of 1932, the net registered tonnage was greater. Last month 493 vessels were registered with a total net tonnage of 1,088,022. This compares with 561 vessels of a net registered tonnage of 951,471 in December, 1932. The increase in tonnage was explained by the fact that the number of vessels engaged in trans-oceanic service entered and clearing during last December totalled 230 compared with 187 for the same month in 1932.

For 1933, the total number of vessels arriving and departing at the Port of Halifax was 5,893. This compares with 5,839 for 1932 and 6,138 for 1931.

The total cargo tonnage handled inward and outward during last December was 215,067 tons compared with 118,113 tons for December, 1932.

The total cargo tonnage reported for 1933 for the Port of Halifax was 1,761,826 compared with 1,458,083 tons for 1932 and 1,591,066 tons for 1931.

Electric Boilers Use More Power Last Month

From Our Own Correspondent

MONTREAL. — Electricity used in electric boilers continues to constitute one of the major important outlets for the central electric station industry. During last December 389,940,000 kw.h. were marketed for use in electric boilers. Quebec reported a consumption of 277,678,000; Ontario, 81,844,000 kw.h.; Manitoba, 30,224,000 kw.h. and British Columbia, 194,000 kw.h.

These figures represent a substantial increase over that reported during previous months, the gain being largely accounted for by the fact that production of newsprint has shown marked improvement in recent months. The use of electric boilers is very largely confined to this industry.

Public Utility Earnings

Barcelona Traction

December	1933 Pesetas	1932 Pesetas	Increase Pesetas
Gr. earn.	10,267,181	10,418,958	*151,777
Opr. exps.	3,124,640	3,434,238	*309,598
Net earn.	7,142,541	6,984,720	157,821
Aggr. gross frm. Jan. 1	112,910,277	111,301,962	1,608,315
Aggr. net frm. Jan. 1	73,866,660	73,692,376	174,284

Montreal Power Share Profits $1.79 For Past Year

Gross Income Down $1,000,000 — Primary Power Sales Register Increase—More Debentures Issued — Beauharnois Contingent Liability $8,742,000

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Consolidated's financial statement for 1933 shows earnings of $1.79 a share on the common stock. This compares with $1.95 a share in 1932.

Operations last year started badly and grew progressively worse during the first seven months, when a change developed, according to John S. Norris, president of the company. In the last five months there was a distinct improvement which is said to promise well for 1934.

Primary Sales Up

Sales of primary power during the year amounted to 1,243,333,740 kw.h. This compares with 1,223,313,210 kw.h. in 1932. In neither case is consideration given to the sale of secondary power, which amounted to approximately 26,000,000 kw.h. in 1932. Secondary power sales were larger in 1933, but the company has not made public any official figures.

Gas sales in 1933 aggregated 5,308,856,000 cubic feet, as compared with 5,897,340,000 cubic feet in the previous year.

As in former years no particulars are given as to income from investments, which bulks very largely in the company's returns.

Gross Down $1,000,000

Gross earnings reported by the company for 1933 totalled $23,766,431. This was roughly $1,000,000 less than in 1932. The amount available for distribution on the common stock was $8,063,267, or nearly $700,000 less than in the previous year.

	1933 $	1932 $	1931 $
Gr. rev.	23,766,431	24,783,066	25,410,776
Deduct:			
Op. exp.	7,679,134	7,758,772	7,880,824
Taxes	1,760,809	1,771,523	1,719,657
Deprec.	2,376,643	2,478,306	2,541,077
Net earn.	11,949,843	12,774,463	13,269,216
Fixed chgs.	3,886,576	4,021,933	3,502,295
Net inc.	8,063,267	8,752,530	9,766,921
Divids.	6,733,771	6,733,771	6,586,966
Year's surp.	1,329,496	2,018,758	3,179,954
Less appropriations:			
Cont. fund	......	700,000	700,000
Pens. fund	20,000	20,000	20,000
*Balance	1,309,496	1,298,758	2,459,954
Earn. on stk.	$1.79	$1.95	$2.17

*Transferred to capital and surplus account.

Working Capital Position

	1933 $	1932 $	1931 $
Curr. assets	26,785,834	25,374,972	23,734,305
Cur. liabs.	6,316,589	6,285,606	6,245,915
Work. cap.	20,469,245	19,089,366	17,488,390

Funded Debt Changes

At the end of 1933 Montreal Power's balance sheet showed total assets of $174,858,752, an increase of slightly better than $2,000,000 as compared with that reported at the end of 1932.

Montreal Power's funded debt now stands on the books at $39,834,500. During the year the company redeemed $322,000 of its own bonds, but the net reduction was not as large owing to the fact that $186,000 of series "B" bonds were issued in exchange for those of Montreal Island Power. Consequently there was a net decrease of only $136,000 in the funded debt of the consolidated company.

During the year the Lachine division bonds of Montreal Light, Heat and Power Co. matured and these were redeemed without the necessity of refinancing. The amount involved was $3,054,000.

Sinking fund operations on the bonds of subsidiary companies resulted in a reduction of the funded debt of Cedar Rapids Manufacturing and Power Co. by $115,000 to $13,725,000. The Provincial Light, Heat and Power Co. retired $48,000 of bonds, leaving outstanding $869,000.

Beauharnois Underwriting

The report shows that the company has a deferred liability with respect to underwriting $8,742,000 of the first mortgage bonds of Beauharnois Light, Heat and Power Co. It will be recalled that under the reorganized plan, Montreal Power underwrote $13,500,000, so that it would appear that $4,758,000 of these bonds were sold to holders of the Beauharnois Power Corp. collateral trust bonds as provided for in the reorganization plan.

Customer Ownership

Under the customer ownership campaign of 1930, $29,409,350 of debentures were subscribed for. At the end of 1933 $25,841,800 of fully paid up debentures were issued. Partial payments amounted to $686,103 while $2,881,447 remained unpaid.

At the end of 1933, therefore, there remained partly or unpaid $3,557,550 of the securities subscribed for by customers in the 1930 campaign.

At the end of 1932 the report showed partial and unpaid subscriptions to the amount of $6,182,200. The amount of fully paid up debentures issued during 1933, therefore, increased $2,614,650 to $25,841,800.

Receipts on account of debenture subscriptions are shown on the books at $686,103 or $1,616,507 less than reported at the end of 1932.

Investments Are Larger

At the end of 1932 the company had invested in bonds and stocks of subsidiary and other corporations, including advances to subsidiaries, less depreciation reserve, of $148,072,919. This compared with $147,326,971 at the close of 1932.

In connection with these investments, the auditors state that the values shown are, in their opinion, amply protected by reserve.

Holdings of Dominion and Provincial Government and Quebec Municipal bonds amount to $22,799,047, a gain of approximately $2,000,000 during the year.

There is little change in bills and accounts receivable and inventories, while cash and call loans have declined from $2,309,361 to $1,844,958.

There were no major capital expenditures undertaken by the company during the year, outlays having been restricted to gas and electric extensions in new territories and the completion of additions to two substations, which made possible the abandonment of three existing substations.

NORTHERN PAPER QUALITY RANKS AHEAD OF SOUTH

Southern Pine Newsprint Competition Considered by Anderson

From Our Own Correspondent

MONTREAL.—Competition confronting Canadian newsprint manufacturers in the use of young trees of Southern pine to manufacture pulp for newsprint may be met if the Canadian technical men maintain the superior product while preserving the difference in quality which exists between the Southern pine sheets and those turned out in Northern mills.

This was the opinion expressed by L. C. Anderson, in an address before the Technical Press Section of the Canadian Pulp and Paper Association at the Section's 21st Annual Convention. Mr. Anderson described a trial run of pulp and newsprint made from Southern pine, which had been conducted recently at Thorold, Ont. He said that the pulp lacked the fineness of fibre which could be produced from Canadian spruce, and that the difference in smoothness and uniformity of the pulp compared with Canadian pulp was quite apparent in hand sheets.

Room for Improvement

The Southern pine pulp, continued Mr. Anderson, was certainly softer and had poorer felting properties than good spruce pulp prepared for newsprint. It could be pulped, however, he said, and further research would, he thought, certainly develop the best method of cooking it to produce any quality desired. By the same token, much could be done to improve pulp in the Northern woods.

In the opinion of Mr. Anderson, the newsprint produced from Southern pine is not equal in quality to that made from spruce and balsam wood. It must be borne in mind, he said, the Southern pine pulps from which the paper was made were produced on units of experimental size and that there was no opportunity to correct pulp quality by observing the paper made therefrom.

Propose Higher Income Tax To Aid B. C. Municipalities

From Our Own Correspondent

VANCOUVER—Having been told by provincial officials that there will be little, if any, money for restoration of grants to B. C. municipalities, an organized effort is being made by the municipalities to increase income taxes.

Mayor David Leeming, of Victoria, and Reeve William Crouch, of Saanich, have appeared before Hon. Wells Gray, minister of municipalities, urging that municipalities should have their grants restored or be relieved of the cost of social service charges that have been placed upon them.

Montreal Trams to Adjourn Annual Meet to April 26

From Our Own Correspondent

MONTREAL.—Montreal Tramways Co. annual meeting of shareholders has been called for March 12. It will be immediately adjourned until April 26. Certain minor changes in the by-laws will be voted upon by the shareholders at the April meeting.

Paper Exports Up: Values are Down

From Our Own Correspondent

MONTREAL. — Canada continues to hold its place as the largest newsprint exporter in the world. During the past 12 months shipments were made to over 40 countries and the volume of exports aggregated 36,762,098 cwt. of the value of $69,200,515. This compares with 35,535,275 cwt. worth $82,966,199 in 1932.

The lower value, despite the increase in quantity, came about as a result of a reduction of $5 a ton made in April last. There is a fair prospect that prices will be increased during 1934 and with every assurance that production will be on a larger scale, the figures for the current year should be on a more favorable basis than those reported for 1933.

TORONTO'S GROUP OF BRANCH PLANTS FOUND THRIVING

82 New Industries Added to City's List Since 1928

With its future dependent on the renewal this year of the annual grant from the city, the Toronto Industrial Commission in its 1933 report presents in comprehensive fashion the results of slightly less than five years of operation.

In five years, the commission has co-operated in the establishment in Toronto of 82 new industries and 17 manufacturing arrangements, 22 new plants being established in 1933. In addition, 12 new industries have been established and one manufacturing arrangement concluded in the adjoining suburbs of New Toronto, Mimico, York Township, Weston and Leaside.

A special survey of conditions in the 112 new enterprises discloses the fact that at the end of 1933, 57 reported business as good, 41 as improving, one fair, 12 quiet and only one bad.

Nearly 200 different products, under more than 30 separate classifications of manufactured goods, are now being produced by the new enterprises.

Summary of the results of operations over the five year period is as follows:

New industries established	82
Manufacturing arrangements concluded	17
New Capital invested in plant and equipment	$3,028,700
New employment—number of employees	2,061
New annual payroll	$1,929,096
Floor space occupied, sq. ft.	822,517
Rental value per annum of occupied premises	$242,405
Electric light and power consumed annually, approximately	$44,328
Taxes paid to City of Toronto in 1933 (by 59 firms)	$15,444
New assessment value created by 1935, approx.	$860,000
New taxes available in 1935, approximately	$22,050

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Timken Silent Automatic Co. of Canada, a new incorporation, will establish a plant in Walkerville, Ont., for the manufacture of the Timken automatic oil burner.

Olsen Refineries Ltd. has established a refinery in South Edmonton for handling oil and gasoline. Capacity 1,000 barrels a day. Lars R. Olsen is head of the new concern.

Canadian Copper Refineries Ltd. has started construction of a $100,000 three-story addition to its Montreal East plant to allow for expansion and rearrangement of its machinery.

Mor-Fread Candies, Ltd., has established a plant in Edmonton for the manufacture of the Fread line of chocolates, already known in the Prairie Provinces. W. H. Fread is factory manager.

Beauharnois Transmission Will Surrender Charter

From Our Own Correspondent

MONTREAL.—Beauharnois Transmission Co., one of the subsidiary organizations formed by Beauharnois Power Corp., has applied to the Quebec provincial secretary for leave to surrender its charter. This company was formed for the purpose of building a transmission line from the Beauharnois power house to the Quebec-Ontario boundary where it would hook-up with the Ontario Hydro lines.

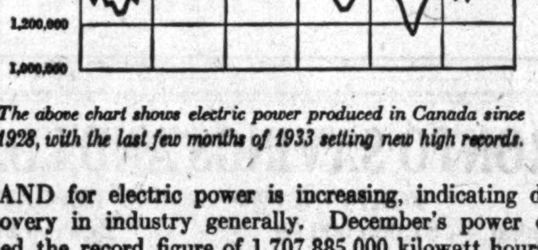
Presumably assets of the company will be absorbed by the parent organization.

Dom. Engineering Works Forms Sales Subsidiary

From Our Own Correspondent

MONTREAL.—Dominion Engineering Co., has been incorporated with head office in Montreal and branch offices in Toronto, Winnipeg and Vancouver. It will carry on business in the various lines of machinery and apparatus manufactured by Dominion Engineering Works. The change in sales policy became effective at the beginning of the year.

POWER... the Right Arm of Industry



The above chart shows electric power produced in Canada since 1928, with the last few months of 1933 setting new high records.

DEMAND for electric power is increasing, indicating definite recovery in industry generally. December's power output established the record figure of 1,707,885,000 kilowatt hours. The maximum output obtainable from all plants in Canada (at average load factor) is 2,045,628,000 kilowatt hours. December's output, therefore, was over 83% of total capacity.

The margin of surplus power in Canada is narrowing. If the present rate of business improvement is maintained, all available power will be absorbed, and construction of new power developments made an urgent necessity, within the next few years.

We believe the securities of established Light and Power Companies represent one of the safest forms of investment, and merit the consideration of investors.

We recommend:

Security	Rate %	Maturity	Approx. Yield
British Columbia Power Corp.	5	1960	5.62%
Canada Northern Power Corp.	5	1953	6.15%
Gatineau Power Company	5	1956	6.20%
Maclaren-Quebec Power Company	5½	1961	6.31%
Ottawa Valley Power Company	5½	1970	5.37%
Shawinigan Water & Power Co.	4½	1967	5.63%

Full information regarding any of these issues will be sent upon request.

NESBITT, THOMSON and Company Limited
355 St. James Street West, Montreal, Que.
Branches in all the principal cities of Canada
147

Write for Our February Review and Bond List

It presents a number of opportunities for investment in Dominion, Provincial, Municipal, Public Utility and Corporation Bonds, and also reviews events of international importance having an influence on the Canadian bond market and world financial centres.

Wood, Gundy & Company Limited
Telephone ELgin 4321 — *36 King St. West Toronto*

J. S. Mitchell & Company LIMITED
Geo. W. Murphy — *Vice-Pres. and General Manager*
Wholesale and Retail
Shelf and Heavy Hardware, Asbestos and Galvanized Roofing, Plumbing Supplies
Specializing in Mining, Mill and Contractors Supplies
Steam Coal, Hard Coal and Coke, Electric Supplies, Sporting Goods
78-80 Wellington St. North - SHERBROOKE, QUE.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. — Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. — Iroquois Falls, Ont.
Espanola, Ont. — Smooth Rock Falls, Ont.
Pine Falls, Man. — Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member
Amer. Soc. C.E. — Amer. Soc. M.E. — Eng. Inst. Can.
Consultation, Reports, Valuations, Estimates — Paper and Pulp Mills, Hydro-Electric and Steam Power Plants, Plans and Specifications

FINANCIAL PRINTING

AS PUBLISHERS AND PRINTERS of The Financial Post, we have necessarily made a very careful study of the printing needs of financial houses.

This has resulted in our building up an unusual service, through which we can confidently offer not only intelligent advice as to the proper format of the various types of financial printing, but also inestimable help in the preparation and handling of such printing.

Perhaps you have an Annual Report, Prospectus or Circular under consideration at the present time, in the preparation and printing of which you could use our service to advantage.

Telephone or write the Direct Advertising and Printing Division and a fully qualified representative will be at your service, ready to offer every co-operation.

THE MACLEAN PUBLISHING CO., LTD.
TORONTO
481 University Avenue — ADelaide 9131

News of Investment Markets

BOND MARKET HAD MODERATE IMPROVEMENT

Six Per Cent Yields Still Available in Western Provincials

Most sections of the Canadian bond market moved forward in the week ended Jan. 30. Higher class municipals, western provincials and corporation bonds were higher. Gilt-edged issues were firm until Jan. 30 when the market softened.

The advance in western provincial issues was limited to gains of fractions to a full point, some loans standing unchanged from the preceding week. The rise, however, was still insufficient, even on top of advances in previous weeks, to put these provincial loans on a favorable basis. Six per cent yields are obtainable on loans of all four provinces, issues bearing six per cent coupons selling at discounts of from two to five points. Five and 5½ per cent bonds are quoted on a lower yield basis, depending on the payment clauses.

The firmness of the gilt-edged market is indicated by the decline in yields illustrated below:

Average Yield on Seven High-Grade Canadian Bonds

	%		%
Jan. 30	4.427	Jan. 23	4.419
Jan. 29	4.406	Jan. 22	4.430
Jan. 27	4.407	Jan. 20	4.434
Jan. 26	4.407	Jan. 15	4.444
Jan. 25	4.420	Jan. 8	4.453
Jan. 24	4.420	Dec. 30	4.586

New Financing in January

Dominion 3½'s of 1935 closed at 99½ bid, compared with the offering price of 99 last October. On the same basis, 4's of 1939 were 99½ bid compared with original price of 99, and 4's of 1945 were at approximately the offering price of 96½.

New Government and municipal financing in January was reported at $44,021,500 by Wood, Gundy & Co. This compares with totals of $16,062,216 and $46,577,052 in January, 1933, and 1932 respectively. Reoffering of part of last autumn's Nova Scotia loan, a small New Brunswick flotation and the $40,000,000 Ontario issue accounted for nearly all the new financing.

Ontario Loan Premium

The new Ontario loan continued to sell at a premium over issue prices of a point or slightly more. Provincial authorities appear well satisfied with the flotation, pointing out that the Dominion's London loan of last summer was deemed a success because it promptly sold at a premium. Apparently the reason for offering the bonds on highly attractive terms was that there was some doubt held as to how the market would receive an issue as large as $40,000,000. The policy adopted ensured success, it is stated.

The demanding for better class municipal issues was exemplified by keen bidding for $96,500 of Hamilton serial 5's, purchased by R. A. Daly & Co. at 100.154. Approximate average term of the issue, which was divided into blocks of $17,500, $50,000 and $20,000, was 6½ years. Twelve bids were received. This issue was the tag end of $253,521 for which tenders were requested last September. At that time all bids were rejected as unsatisfactory to the city. Hamilton offered the bonds over the counter at 100, and apparently disposed of some $157,000 in this manner in about four months. The cost basis to the city on the balance sold this week was about 4.98 per cent.

Corporation Issues

Corporation liens were active and strong for nearly all types of industry. Price Bros. 6's of 1943 featured trading with an advance of seven points on the bid side to 76. The latest Bowater and Duke-Price offers for the bankrupt company's assets were the chief reasons. The Bowater offer, particularly, appears to have been viewed with favor.

Simpson's 6's of 1949 put on four points to 88 on the bid side, among more active issues. Greatly improved earnings and better liquid position shown in the annual statement have affected this issue favorably for some time. Shawinigan 5's of 1970 featured utility issues, advancing six points on the bid side to 91. This is also taken as an interpretation of the annual statement. Prior to this sharp advance, Shawinigan issues had been less inclined to strength than many other public utility issues.

Montgomery-Ackerman Shares Are Offered

Public offering is announced of 250,000 treasury shares of Montgomery-Ackerman Gold Mines Ltd., which owns a 700-acre property in the Swayze district of Ontario. The company has an authorized capital of 3,000,000 shares, of which 1,000,000 were issued for the property, leaving 2,000,000 shares for treasury purposes. Proceeds of the current offering will be used to develop 13 veins that have been uncovered so far upon the property.

The property was staked by Tom Montgomery, discoverer of the Waite-Ackerman-Montgomery mine. Directors of Montgomery-Ackerman Gold Mines Ltd. include Chas. H. Ackerman, president; Tom Montgomery, vice-president; M. E. Erdofy, Dr. M. H. Lebel and Douglas Lawrie, C.A. Douglas Beverage is mine manager.

Bond Tenders

12 o/c noon, Feb. 5, Township of Trafalgar.—$15,925, 5½ per cent, 30-installment, local improvement bonds; $1,500, 5½ per cent, 10-year serial, breakwater bonds. W. E. Ford, treas., Trafalgar.

12 o/c noon, Feb. 5, Township of Stoke, P.Q.—$20,000, 5½ per cent bonds, dated Sept. 1, 1933, redeemable serially from Sept. 1, 1934 to Sept. 1, 1953, for consolidation of debt. Henri Savage, sec.-treas.

Can. Industrial Alcohol Will Issue New Security

Arrangements Made With National Distillers for Marketing Alcohol in States — Plan Proposed for Ready Return to Investors

From Our Own Correspondent

MONTREAL — Following arrangements made by Canadian Industrial Alcohol for the sale of its alcohol stocks in the United States, Lord Shaughnessy, president, told the shareholders at the annual meeting that the directors will put forward for their approval, a plan whereby they will be able to receive a return on their investment as quickly as possible.

It is proposed to convert each outstanding share into one-half of a redeemable share and one-half of a share of the same class of stock as that now held.

The redeemable share will be redeemable by purchase in the market at not exceeding $24 a share or by call at $24 a share.

Plan on Dividends

It is proposed that the profits of the company, which the directors may determine to distribute in any fiscal year of the company by way of dividend, shall be applied in the first place to paying the holders of redeemable shares non-cumulative cash dividends up to an amount not exceeding $1.50 a share.

The redeemable shares will not carry a vote, and the voting on the remaining shares will be the same as at present.

Basis of Arrangement

In his outline of the policies decided upon by the directors as regards the disposal of matured alcohol stocks, Lord Shaughnessy had the following to say:

"Arrangements have been made whereby the American type whiskies of your company will be distributed through a subsidiary in which your company has a half interest. A subsidiary company has been incorporated under the laws of Delaware, under the name of National Canadian Distillers Inc. and the 50 per cent interest in the capital stock of such subsidiary which your company owns has been purchased with American type whiskies, while the balance of the capital has been subscribed and paid in cash by the National Distillers Products Corp.

"An agreement has been entered lately between C. I. A. and the new company providing for the marketing in the U. S. by the new unit of C. I. A.'s stocks of American type whiskies.

Take Over Entire Stock

"The arrangement provides for the taking over of the entire stock of C. I. A.'s whisky at fixed prices over a period of three years, and, while there are definite fixed minimum quantities to be taken up from time to time, your directors expect that the marketing conditions in the U. S. will be such that the new company will be able to considerably anticipate its obligations and take over the whiskies at a much quicker rate than the agreement provides for.

"The new subsidiary will have the benefit of operating under the distributing and marketing facilities of the National Distillers Products Corp. and its subsidiaries, which include marketing arrangements with such large distributors as Standard Brands, Canada Dry, Sears-Roebuck, etc., and should, therefore, afford the new company a wide and profitable distribution for the whiskies which it acquires from C. I. A.

Reasons for Action

"The arrangement which we have made includes an association with one of the largest organizations in the U. S., it does not involve the obtaining or tying up of capital in plants and equipment and it does not require your company to provide cash for the financing of customs duties into the United States, and we believe it will be the means of enabling a distribution to be made to the shareholders by way of dividend or distribution of capital much sooner than would otherwise be the case. In addition, it must be kept in mind, that from the point of view of the new subsidiary, it is not desirable to disclose the basic price which is to be paid to your company for the whiskies purchased or the specific terms of the contract under which they are to be acquired, for the reason that the new company will offer these whiskies to other distillers and blenders and any information with respect to the price would at once place the new subsidiary at a disadvantage and give its competitors a like advantage.

"In addition to the sale of our American type whiskies it is also contemplated that there will be a demand for our Canadian ryes."

The Wall Street Journal reports that the 7,000,000 gallons of American type whisky over four years old bought from Canadian Industrial Alcohol Co. will be sold partly by National Distillers as straight whisky and partly used for blending purposes by Penn-Maryland Co., which will divide its profits equally between National Distillers and U. S. Industrial Alcohol as soon as it has accumulated a large working capital to handle the large volume of business and built up a stock of new whisky for aging for future sales.

U. S. Production Mounting

United States liquor companies, swamped with demand in the first month of repeal which included the Christmas holidays, are rapidly bringing their facilities up to the point where they can adequately handle their orders. Penn-Maryland Co., the largest producer of blended whisky, which is owned jointly by National Distillers Products Corp. and U. S. Industrial Alcohol Corp., has been bottling approximately 20,000 cases of blended whisky daily for some weeks against less than 10,000 cases daily in December. National Distillers which sells straight whisky bottled in bond, a product in the high-priced class, is bottling about 6,000 or 7,000 cases daily. Both companies will make good use of Canadian aged whisky.

Penn-Maryland's output is thus at the rate of about 60,000 gallons daily; that is, 60,000 cases, or 1,800,000 gallons monthly. At current prices for blended whisky gross sales will run approximately $15,000,000 monthly and the taxes paid to the government at $2 a gallon will be, roughly, $3,600,000 monthly from this company alone.

Profit Less Than Dollar

Estimates of profits are, of course, premature, but gross profit is running at present around 75 cents to $1 per gallon of whisky, according to the Wall Street Journal which does not expect, however, that this margin of profit will hold after peak demand is filled. A subsequent profit of 25 to 33 cents a gallon is likely. Before repeal, profits averaged around 10 cents a gallon.

Court Action is Launched Against Dairy Corp. Group

Certain Preferred Shareholders of Winnipeg Subsidiary, City Dairies, Seek to Quash Supplementary Letters Patent — Claim Issue Illegal

Dairy Corp. of Canada, Ltd., City Dairy, Winnipeg, J. M. Carruthers, R. J. L. Ball, W. R. Milton, W. T. Kennedy and J. A. Caulder are all named as defendants in a statement filed in the court of king's bench at Winnipeg on January 26, by G. Lyman Van Vliet, on behalf of Morley Dale, for himself and all other shareholders of the seven per cent participating stock of City Dairies, Ltd. Plaintiffs seek the quashing of supplementary letters patent issued to City Dairy Corp. by the provincial government, by which 3,000 shares of par value $100 of common stock of the City Dairy was changed into 15,000 shares of no par value, and an additional 10,000 shares no par value authorized.

An accounting is asked for $150,000 which it is claimed was issued illegally by City Dairy, as dividends or otherwise to Dairy Corporation and others.

City Dairy Co., Ltd., has two issues of preferred shares. One issue of $250,000 eight per cent cumulative preferred stock and a second issue of 200,000 seven per cent participating preferred stock. This latter issue was to participate in dividends up to ten per cent. There was also issued 3,000 shares of common stock of the par value of $100.

J. A. Caulder, president of Dairy Corp., entered the picture in 1929. After negotiations that extended over a considerable period, he purchased a majority of the common stock from the holders at a price slightly in excess of $50 per share, plus three shares of the A stock of Dairy Corp. of Canada. This agreement was consummated and Dairy Corp. of Canada became the owner of the common stock of City Dairy, Ltd.

Subsequently bond issues totalling more than $400,000 were issued against City Dairies, Ltd., and the plaintiffs claim this was done without consent of preferred.

Pacific Manifolding Book Co. To Redeem Bond Issue Apr. 1

Pacific Manifolding Book Co., and a subsidiary of Moore Corp., has called for redemption on April 1 its entire issue of 6½ per cent first mortgage bonds. A premium of 3¼ per cent will be paid on the issue, which was outstanding in amount of $131,000 at Dec. 31, 1932.

The bonds, which would ordinarily mature in 1937, are redeemable in either Canadian or American funds. Bondholders may surrender their holdings prior to April 1, and get the full premium, but interest on such surrenders will be paid only to date of surrender.

Windsor Hotel Directors Re-elected Without Change

From Our Own Correspondent

MONTREAL. — Directors and officers of Windsor Hotel were re-elected without change at the annual meeting of shareholders. The financial and other reports presented at the meeting were adopted.

Bond Sales

Hamilton

City of Hamilton has sold $96,500 of five per cent serial debentures to R. A. Daly & Co. at 100.154. The issue comprises $17,500 maturing 1939-43; $59,000 maturing 1937-42, and $20,000 maturing 1935-48, cost basis to the city about 4.98 per cent. Bids were:

R. A. Daly & Co.	100.154
Royal Secs.	100.137
Dominion Secs.; Wood, Gundy & Co.; A. E. Ames & Co.	99.879
Griffis, Fair. & N.	99.77
C. H. Burgess & Co.	99.77
McLeod, Young, Weir & Co.	99.75
J. L. Graham & Co.	99.737
Harrison & Co.	99.68
Dyment, Anderson & Co.	99.65
Cochran, Murray & Co.	99.60
Fry, Mills, Spence & Co.	99.51
Nesbitt, Thomson & Co.	99.33

Alberta Sheep Farmers have benefitted greatly by the recent increase in the price of wool. Average sales value for wool in 1933 was 15 cents a pound as compared with 8 cents in 1932. This is the best return since 1929.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Hamilton, Ont.	Jan.	R. A. Daly & Co.	5%	1939-43 1937-42 1935-48	$17,500 59,000 20,000	100.154	4.98

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
Goldside Mining Co.	Jan.	Company	....	Com.	1,500,000 shs.	25c.	....

Investment Notes

Significant Investors' Index Numbers

1926 — 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	198.2	201.4	311.0	163.6	235.4
Low	34.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1933:										
January	50.8	4.0	42.0	95.7	33.1	84.4	35.1	60.7	45.9	51.9
February	46.1	5.0	41.0	89.5	35.4	82.4	34.2	58.0	40.4	48.1
March	46.6	3.2	39.1	89.3	34.0	80.8	37.9	59.1	39.9	48.2
April	50.6	3.8	45.9	101.7	32.9	87.8	39.9	69.7	40.4	53.9
May	68.2	5.5	63.1	127.0	48.2	106.2	66.8	88.6	49.5	67.1
June	86.5	9.3	72.9	146.9	58.4	121.8	112.4	107.1	56.4	79.0
July	102.3	12.3	82.1	162.5	63.4	143.3	173.7	122.3	61.5	88.4
August	95.2	11.2	71.3	153.2	62.5	130.8	160.9	117.2	56.8	83.6
September	88.6	10.8	75.8	156.1	65.2	124.9	168.6	119.1	53.5	83.5
October	75.7	8.9	73.6	133.6	61.6	115.1	134.8	103.6	48.5	74.5
November	78.6	8.5	72.9	155.7	60.8	118.1	135.1	113.4	47.8	78.8
December	79.3	7.8	68.4	143.9	58.6	117.1	148.5	111.4	47.8	77.5
Weekly Figures, 1934:										
Jan. 4	82.8	7.6	74.0	144.4	60.4	122.0	188.8	115.4	48.7	82.8
Jan. 11	87.4	10.0	76.0	149.4	63.7	125.2	193.3	118.6	52.4	86.2
Jan. 18	95.2	10.8	75.8	141.8	64.3	129.2	195.5	118.8	55.1	87.7
Jan. 25	98.9	11.3	74.7	146.3	66.3	129.3	189.6	120.8	55.7	89.6

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. In 1933 index numbers are given monthly for the twelve months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Goodyear Bonds Called

GOODYEAR COTTON CO., wholly owned subsidiary of Goodyear Tire and Rubber Co., has called for redemption at 103 its entire issue of six per cent first mortgage bonds, due 1949. The bonds are to be redeemed March 1, 1934, or earlier, if the holder wishes, in either Canadian or American funds.

Goodyear Cotton is providing from its own funds the entire sum necessary for redemption of the issue, which amounted to $1,251,500 net, at Dec. 31, 1932, The Financial Post is informed. This would indicate that the company has built up a substantial surplus in the last four years, most recent balance sheet for the cotton company alone having been issued in 1929.

This elimination of funded debt leaves Goodyear Cotton with only 5,250 shares of no par value common stock as capital, all these shares being owned by its parent company. Goodyear Cotton was originally Canadian Manhasset Cotton Co., which in 1926 had outstanding an eight per cent first mortgage bond issue of $150,000 and two cumulative preferred issues bearing seven and eight per cent dividends. These were changed into six per cent first mortgage bonds and seven per cent preferred shares, and the common shares were reduced from $12,852 of $100 each to 5,250 of no par value when the company was taken over by Goodyear Tire in 1926. The seven per cent preferred stock was redeemed, and the presently-called bond issue offered by Dickson, Joliffe & Co., Toronto, at 99 in 1929. Redemption of the bonds at 103 removes all public investment interest in Goodyear Cotton, except the indirect interest through holdings in Goodyear Tire and Rubber Co.

* * *

Twenty-eight Fewer Dominion Stores

AT THE end of December, Dominion Stores had approximately 511 stores in operation. This compared with 539 at the end of December, 1932, showing a reduction of 28 during the year or 5.2 per cent.

The company's sales during 1933 were $19,758,368, making average sales per store at around $38,000 during the 12 months.

Decline in sales during the year amounted to 12.59 per cent. In 1932 the net amounted to $361,448 or $1.28 per share on the 282,382 shares outstanding. In order to earn the regular dividend of $1.20 per share, the 1933 profits should amount to approximately $339,000. It will also be recalled that during the first half of last year the net profit amounted to 55c. per share so that in the latter half of the year 65c. would have to be earned to bring the total up to a sufficient amount to pay the full dividend. Business in the last half of 1933 was considerably better than the first and the dividend may have been earned. In 1932 dividends were paid in U. S. funds necessitating an additional $43,000 because of the higher American dollar.

* * *

Canadian Bank Shares Bought

SOME weeks ago, when bank shares were climbing up some sceptics pooh-poohed the statement that English buying was responsible. The Investors' Chronicle and Money Market Review of London, however, reports that in recent weeks some of the investment trusts have been steadily buying any lines of Canadian bank shares that have come on offer. As a result these issues have risen fairly sharply from the low levels touched at the end of last year, "when there was a feeling of distrust as to the future of the Canadian dollar."

"The recent balance sheets showed that all the institutions were in a very strong position," comments the English journal. "They all have excellent records, but were compelled to reduce dividends in the depression. Conditions in Canada are now rapidly improving, and this should soon be reflected in the earning power of the banks. Of course, if a Central Institution is established the profits made on the note issues by the various institutions will have to be foregone, but time will probably provide compensation.

"The chief risk in buying a Canadian bank share resides in the possibility of a further violent depreciation in the Canadian dollar. Actually the overseas trading position has considerably improved in the past year, and the Canadian dollar is probably undervalued. If, however, there is a fresh sharp fall in the American dollar, Canadian currency may have to follow part of the way in sympathy.

"Market interests consider that the risk is worth taking, and I find that Bank of Montreal, Canadian Bank of Commerce and Royal Bank of Canada shares are now regarded as good investments at present levels."

* * *

May Export to U. S.

CANADIAN GROCER suggests the possibility that within the next two or three months Canada may again be exporting some canned tomatoes to the United States. Prices there have gone up considerably. Recently 3's were quoted in New York at around $1.35 per dozen. Tomatoes packed in Ontario have been quoted as low as 80c. per doz. f. o. b. factory for 2½'s. The duty against Canadian tomatoes going into the United States is 50 per cent, which would make the f.o.b. factory price $1.20 for export. The price of $1.35 for 3's would perhaps be equal to from $1.20 to $1.25 for 2½'s.

Should prices advance still further across the line, there would be a good chance of Canadian firms exporting, perhaps in April, May or June. The United States is planning crop restriction measures this year which will further tend to a higher market. The freight from Ontario points to Buffalo, Cleveland, Detroit, etc., is lower than that from Baltimore, where many of the tomato firms are located.

Pea prices remain strong as stocks may be cleared out by July. Corn is weaker because of the large carry-over but the situation still remains sounder for canning companies than a year ago.

* * *

Ford Business Improves

STOCK market interest in Ford of Canada increases as news of sales in various centres grows more optimistic. The latest report comes from P. N. Mainguy, manager of the Montreal branch of the Ford Co. of Canada, who reports that in Quebec and the Maritime Provinces January sales have been three times as great as sales in January, 1933, and greater than any January for four years back.

The product this year was brought out earlier than usual, cars have been available for deliveries without delay and the company's own optimism as to 1934 business has communicated itself to some extent to customers.

* * *

Stop and Shop Expands

STOP AND SHOP opened a new store on January 24 at 2507 Yonge Street, Toronto, and will have another new one on Eglinton Ave., west of Oriole Parkway in Toronto in the near future.

Stop and Shop now operates 48 stores in Toronto and there are 63 in the Quebec division, making a total of 111. The Eglinton Ave. store will bring the total to 112. During the past year three stores were closed.

C. P. AND P. PLAN REORGANIZATION ALTERS CONTROL

From Our Own Correspondent

MONTREAL.—A plan of reorganization has been forwarded to the 5 per cent debenture holders of Canadian Power and Paper Investments, under the terms of which control of the company is vested with them.

The debenture holders' committee, under the chairmanship of J. A. Raymond, propose that the debenture holders will waive the default of interest and sinking fund, as well as the failure of the company to maintain the 50 per cent maximum ratio between borrowings (including debentures) and the market value of assets. They also are being asked to place future interest payments on an income paying basis.

In return for this concession, it is proposed to give the debenture holders voting trust certificates representing 60,000 shares of no par value common stock. Thus for each $100 debenture, the holder will receive 2½ shares of common stock.

A voting trust will be set up, consisting of three members, two of whom are elected by the debenture holders and the third member, representing the preferred shareholders, to be selected by the other two.

Present holders of 50,000 shares of 5 per cent cumulative preferred shares, par value $50 each, will be asked to accept an equal number of 5 per cent non-cumulative no par value preferred shares and voting trust certificates representing 30,000 shares of no par value common stock. The holder of 5 per cent preferred shares receives 3 common shares under the plan.

The present common shareholders are to relinquish 96 per cent of their holdings, retaining the right to receive voting trust certificates representing 1 common share for each 25 shares now held.

Chief Supervisor

GRANT MACINTYRE
Who now has charge of all branches of the Bank of Nova Scotia.

CAN. CELANESE UNDER ATTACK BEFORE BOARD

R. P. Sparks Condemns Trade Policy at Tariff Hearing

From Our Own Correspondent

MONTREAL—Canadian Celanese Ltd. came in for a sharp attack before the Tariff Board in the hearing of the application sponsored by R. P. Sparks, of Ottawa, for a reduction in the British preferential tariff rate from 28 cents to 10 cents per pound on cellulose acetate yarn.

During the early part of the hearing at the beginning of the week, Canadian Celanese was not represented and R. P. Sparks, representing British firms, declared that the company was "treating the Tariff Board with the same contempt with which they have treated the Canadian trade for two years." Further he declared that Canadian Celanese obtained their tariff protection from Parliament in 1925 "under conditions very close to false pretenses."

Say Monopoly Held

In support of his application, Mr. Sparks declared that if the Canadian mills weaving with artificial silk yarns, particularly the cellulose acetate yarns, were not soon given relief from what he declared was a complete monopoly held by Canadian Celanese, those mills would be threatened with destruction. He argued that when Canadian Celanese was given tariff protection in 1925 by the then Minister of Finance, the late Hon. James Robb, it was assumed that with their yarns protected they would sell their yarns to the Canadian weavers on equal terms with themselves, but Mr. Sparks declared that, instead, Canadian Celanese used the protection afforded them on their cellulose acetate yarns to establish for themselves a complete monopoly on the finished product, rayon silk goods.

Trade Policy Reviewed

The Canadian Celanese makes cellulose acetate yarns and weaves them into the finished product. Courtaulds (Canada), Limited, Cornwall, Ont., make viscose yarns, the raw material for the Celanese plant being one state of raw silk, while the raw material of the Cornwall plant is wood pulp. The complaint of the firms represented by Mr. Sparks at the hearing is that the Canadian Celanese will not sell their yarns to other Canadian weavers of rayon goods, but retain all their yarns for their own weaving purposes and are able to outsell the independent weavers in the Canadian market, the independents being obliged to import their yarns from Europe, much of it being French and German. Their object in getting a reduction in the British preferential rate of duty is to enable British mills making the cellulose acetate yarns to supply the independent Canadian weavers, so that they might be able to compete more sucessfully with what they regard as the monopoly at Drummondville, Que.

Deny Charges Made

Later on W. F. Wilson, of Ottawa, representing Canadian Celanese, made a statement in which he denied the charge of monopoly and said there had been a free interchange of goods and that the firm was not attempting to operate as a monopoly.

Representatives of Courtaulds opposed the application. Among other reasons advanced was that a lower British preferential rate and a lower intermediate would help Canadian weavers and injure Canadian Celanese, it might also injure the Cornwall firm. They offered the board full and free access to their plant and their books for investigation of production methods and costs.

At the conclusion of this statement the chairman of the board said that he would expect a similar offer of full access to the plant and books of Canadian Celanese and that if this was not forthcoming by the time of the next meeting some means might be devised to securing that access.

ONTARIO LOAN ASSETS HIGHER; PROFIT IS 6.3 P.C.

Total Assets Are Highest in History of Company

Ontario Loan & Debenture Co., London, Ont., earned 6.30 per cent on capital of $2,000,000 in 1933 as compared with 6.68 per cent in 1932. Net earnings were well maintained at $287,011 as against $292,811 in 1932, and while provision for income tax was slightly higher, the company continued to pay dividends at the rate of 6 per cent, which has been in effect since 1927.

Increase in deposits to $1,658,379 from $1,437,251 and in debentures outstanding to $6,544,634 from $6,276,359 and the maintenance of sterling debentures at $573,123 resulted in increase in liabilities to the public to $8,822,830 from $8,325,328 which is reflected in the increase in total assets of the company which are up to $14,167,043 from $13,661,948 in 1932. Total assets are at the highest point in the company's history.

Bond Holdings Up

Chief change in the company's assets is the increase in investment in government and provincial bonds which is up to $1,671,432 from $722,994. Municipal debentures remain practically unchanged at $482,508, while Dominion and provincial guaranteed bonds are down to $325,178 from $400,842. Cash is down to $202,987 from $406,192. Investment in mortgages is down to $10,644,059 from $11,017,018 while interest due and accrued is up to $316,257 from $281,353 and real estate held for sale is up to $282,654 from $149,639 while there is an additional $62,718 of agreements of sale that did not appear in the 1932 statement.

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earned per sh.‡ $
1928	1,750,000	300,836	6	8.60
1929	1,750,000	304,757	6	8.71
1930	2,000,000	290,568	6	7.76
1931	2,000,000	277,841	6	6.95
1932	2,000,000	267,386	6	6.86
1933	2,000,000	252,011	6	6.30

*After payment of provincial and municipal taxes, interest, expenses and charges, and after making provision for possible losses and contingencies and income tax.

‡Based on fully paid-up capital in 1931, on average paid-up capital approximately $1,875,000 in 1930 and on capital stock paid-up of $1,750,000 in prior years.

Year	Total Assets	Reserve Funds	Liab. to Public
1928	11,630,944	2,875,000	6,873,506
1929	11,611,170	3,000,000	6,758,975
1930	12,784,963	3,200,000	7,483,087
1931	13,544,183	3,200,000	8,310,640
1932	13,661,948	3,200,000	8,325,328
1933	14,167,043	3,200,000	8,822,830

February Dividend Total Is Larger Than in 1933

Dividends declared by Canadian companies and payable during February total $3,783,396 as compared with $3,335,000 in the same month of 1933 and $4,095,000 in 1932. Volume of dividend payments always reaches a low point in February that is in decided contrast with payments in January and March but the current month is the fourth in which payments have either exceeded or equalled payments in the corresponding month of the preceding year.

Chief change to be recorded for February is the reduction in dividend rate on the preferred shares of International Utilities Corp. On the $7 prior preferred stock annual dividend rate has been reduced to $3.50 while on the $3.50 preferred stock the annual rate has been reduced to $1.75. Dividend on stock of Confederation Investments Ltd. has been passed with the termination of the guarantee by Canadian General Securities Ltd.

Good news for the month is confined to declaration of an initial dividend by directors of Howey Gold Mines Ltd. and Toburn Gold Mines Ltd. An interim dividend has been declared on the stock of Wainwright West Oil.

The record of dividends declared payable during February, as compiled by The Financial Post, is as follows:

SUMMARY OF PAYMENTS

Dividends	$ 3,783,396
Bond interest	18,706,304
Total	22,489,700

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Beatty Bros. 1st pref.	1¾q	1	$ 16,179
Belding Corticelli c.	$1q	1	7,495
Blue Ribbon pref.	50cq	1	14,397
B.C. Tel. 2nd pfd.	$1.50q	1	67,500
Buffalo Ankerite	5cs	15	25,000
Calgary Power pref.	1½q	1	90,000
Can. Bronze	15cq	1	12,000
Do., pref.	$1.75q	1	13,600
Can. Converters	50cq	15	8,667
Can. Dredge	50ca	1	46,249
Do., pref.	$1.75q	1	1,459
Can. Investors c.	10cq	1	10,000
Canadian Oil c.	12½cq	15	17,970
Chase, A. W., pfd.	50cq	10	4,969
Champlain Oil pfd.	15cq	15	75,000
Coast Breweries	23cq	1	41,449
Dome Mines	25cq	1	238,333
Do., extra	25c	1	238,333
Dominion Bridge	50cq	15	256,975
Dom. Scottish pfd.	25cq	1	14,935
Fuller, Geo. (Can.) pf.	1.50q	1	11,250
Guelph Carpet pfd.	1¾q	1	11,931
Howey Gold	†3c	20	150,000
Humberstone Shoe	50cq	1	10,000
Imperial Bank	2½q	1	175,000
Inter. Nickel pref.	1¾q	1	483,486
Inter. Utilities pfd.	87½cq	1	23,504
Do., pref.	43¾cq	1	45,304
Mtg. Corp. N.S.	$1.75q	1	11,900
Paterson, Wm. pfd.	$1.75q	1	1,666
Penmans	75cq	15	48,388
Do., pref.	1½q	1	16,125
Quebec Power	25cq	15	138,299
Russell Motor pref.	1q	1	12,000
St. Law. Flour	37½cq	1	4,500
Do., pref.	$1.75q	1	10,062
2nd Std. Royalties pfd.	1cq	1	28,129
Shawinigan W.&Pr.	13cq	15	283,172
Sherbrooke Trust	1.50q	1	4,500
South. Can. Pwr. c.	20cq	15	80,000
Steel of Canada	30cq	1	195,000
Do., pref.	43¾cq	1	113,685
Teck Hughes	15cq	1	721,071
Toburn Gold M.	†2c	5	37,000
Wainwright West Oil	*2c	20	9,234
Weston, Geo. pfd.	$1.75q	1	16,750
Total			3,783,396

*Interim. a—Annually.
†Initial. s—Semi-annually.
q—Quarterly.

BOND INTEREST DUE IN FEBRUARY

Company	Rate	Date	Due	Amount
Bloor St. G. Rlty.	7	15	1946	$ 17,671
Do., 2nd mtg.	6½	15	1941	3,500
Canada Bread	6	1	1941	29,619
Canada Foundries	6	2	1942	4,753
Canada Machinery	6	1	1940	4,866
C. Nat. Ry. Eq. 'G'	5	1	Serial	225,000
Do., Gtd. Gold	5	1	1970	450,000
Do., Gtd. Gold	5	1	1954	1,250,000
Do., Gtd. Gold	4½	1	1956	1,575,000
Can. Nor. Rly.	4½	15	1935	382,500
Can. Vickers 'A'	6	1	1947	75,195
Confed. Amuse.	6½	1	1951	7,312
Dom. Bldg.	6½	1	1942	12,187
Dom. Tel. Secs.	5½	2	1978	27,500
Drumheller Coll.	7	1	1942	12,271
Dryden Paper	6	1	1949	42,780
Federal Gr. 'A'	6	1	1949	117,768
Georgetown C. Pap.	6½	1	1947	5,785
Ham. By-Product	7	1	1943	45,038
Holt Renfrew	6½	1	1937	14,430
Lincoln Pulp	7½	1	1942	24,896
Low. St. Law. Pr.	7	1	1947	23,264
Maclaren Que. Pr.	5½	1	1961	330,000
Malagash Salt	6½	1	1947	16,250
Med. & Dent. Bldg.	6	15	1944	29,250
Mtl. Dry Docks	6	1	1948	16,935
Shawinigan 'C'	5	1	1970	374,500
Do., 'E'	5	1	1972	442,300
Do., Notes	6	1	1937	121,605
Walmsley, Chas.	6	1	1948	21,365
Wood, Alex. & J.	6	1	1944	7,761
Zimmerknit 1st	6	1	1951	7,500
Do., 2nd mtg.	6	1	1961	15,009
Corporation				5,734,816
Provincial				2,882,419
Municipal				3,920,918
Dominion				6,168,156
Total				18,706,304

MAR. TELEPHONE COVER DIVIDENDS DURING PAST YEAR

Issue Bonds and Clear Up Bank Loans and Notes Payable

From Our Own Correspondent

MONTREAL—Operating economies enabled Maritime Telegraph and Telephone Co. to cover all charges in 1933, while the sale of $500,000 of general refunding bonds cleared up bank advances and bills payable and generally strengthened the working capital position.

The loss in telephone stations, which commenced in 1932, continued last year, although in a decreasing ratio. At the end of 1933 the company had installed 37,868 stations, a decline of 1,172 from that reported at the close of the previous year.

The loss in revenue, amounting to $79,501, was attributed in the following proportions: three-fourths to exchange service revenue and one-fourth to long-distance revenue.

Since the middle of the year the situation in respect to station and toll revenue has been on an improving scale; toll revenues have shown an increase over the last half of 1932.

Reduce Depreciation

In order to meet declining revenues, the company put further economies into effect, including a reduction in all salaries and wages as from the beginning of 1933. The income account position was further helped by a reduction in depreciation charges from $357,644 to $260,680. Consequently the amount of net earnings available for dividends in 1933 was $117,089 more than in 1932.

Particulars of the income account follow:

	1932 $	1933 $
Gross Revenue	1,759,810	1,680,307
Less: Expenses	1,212,306	979,947
Net Income	547,504	700,360
Deduct: Taxes, Bad Debts, etc.	161,918	181,018
	385,586	519,342
Add: Non-op. Rev.	3,094	3,041
Gross Income	388,680	522,383
Less: Bond Interest	140,000	152,360
Other Interest	41,421	35,244
Rent, etc.	10,590	11,021
Amort. Sec. Disc.	10,455	11,567
Net Profit	186,214	312,191
Less: Dividends	391,912	320,746
Balance	*205,698	*8,555
Brought Forward	191,284	93,898
Trans. Cont. Res.	115,000	......
Less: Adjustments	6,687	2,730
Carried Forward	93,899	82,613

* Deficit.

The balance sheet as at Dec. 31, 1933, showed a slight increase in assets to $10,871,039. There was no increase in capital stock, but the long term funded debt advanced from $2,500,000 to $3,000,000.

Clear Up Liabilities

Offsetting this was the elimination of advances from the Canadian Bank of Commerce to the extent of $372,739 and the clearing up of $300,000 in notes payable. Current accounts payable, however, registered a sharp increase last year, from $49,374 to $232,980. Other changes among liabilities are relatively unimportant.

Investment in fixed assets shows a slight increase. Plant is carried on the books at $9,636,835, compared with $9,606,101 a year ago. General equipment increased in value from $106,805 to $195,840, but construction in progress declined from $204,929 to $61,542.

Working assets are somewhat higher at $382,388. Deferred debit items show an increase, due to the discount on securities sold during the past year.

Investment securities are carried on the books at the same figure, namely, $386,025.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Goodyear Cotton	6%	1949	Mar. 1	103

We Buy and Sell

Abitibi P. & P. 5's, '53
Godfrey Realty 6's, '42
Great Lakes Paper 6's, '50
Maple Leaf Mill. 5½'s, '49
Ontario Bldg. 6½'s, '43
Can. Industries "B" Com.
Can. Packers Com.
Can. Wire & Cable Pfd. WW
Inter. Proprietaries "A"
Massey-Harris Pfd.
National Grocers Com.
National Grocers Pfd.

A. J. Pattison, Jr. & Co. Limited
ESTABLISHED 1907.
INVESTMENT BANKERS
Royal Bank - El. 5101
TORONTO

FAIRBANKS AUTOMATIC OIL BURNER
MADE ENTIRELY IN CANADA
THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED
Montreal, Toronto and Branches

5%
On Guaranteed Trust Certificates
Safe beyond question and unconditionally guaranteed
Send for descriptive circular, without obligation.
THE STERLING TRUSTS CORPORATION
Sterling Tower, TORONTO

Manufacturers of INDUSTRIAL and HOUSEHOLD Cottons in Canada for over TWENTY-FIVE YEARS

DOMINION TEXTILE Company Limited
MONTREAL
TORONTO
WINNIPEG
VANCOUVER

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper.

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES
Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO. LIMITED
481 University Ave., Toronto 2
Chairman of Board—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President—H. VCTOR TYRRELL

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager: John E. Langdon, Eastern Editor, GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1, E. J. Dodd, Director, Telegraphic address Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, FEBRUARY 3, 1934

TIN PLATE ORDER GOES TO BRITAIN

IN THE current copy of Industrial Britain appears an item which serves to clarify to some extent the confusion about the tariff on tin plate. (For some people it may make confusion worse confounded). The item reads as follows:

"Messrs. Richard Thomas & Co., who control the greater part of tin plate output in England and Wales, have secured a repeat order for a million boxes (50,000 tons) of Welsh tinplate for Canada.

"Most of the work will be executed in the firm's South Wales works and will mean employment in the tin plate trade and associated works and collieries for some 10,000 men for three months.

"The order was obtained in the face of American competition and the fall of the American dollar—a contingency which it was feared would prevent the retention of the Canadian market by the firm."

It will be recalled that not much more than a month ago, it was announced that Richard Thomas & Co. had opened a branch plant at Sarnia and that tin plate was now being produced in Canada. Yet despite this announcement, we find that this British tin plate trust is filling a huge order for Canada from its British plant rather than from its Canadian plant. The transaction makes one wonder how important is the establishment of a tin plate plant at Sarnia by this firm.

Trying to make sense out of the sequence of events in the tin plate tariff episode is difficult.

The effect of Imperial preference plus dumping duties, which are still enforced despite the Tariff Board ruling as to their illegality, is to hand the Canadian market over to the British for tin plate unless, of course, the British manufacturers try to use their Canadian plant to supply the Canadian market. The placing of this large order in England seems to suggest that such is not their intention at all.

One thing that has caused confusion is the fact that some of the largest users of tin plate in Canada, who might be expected to ask for the lowest possible duties, have quietly supported the dumping duty and the higher duties on American plate. Possibly they have had large stocks of tin plate on hand which they wanted to work off at high prices. What their attitude will be if and when they are in the market for more tin plate is something yet to be determined.

Generally speaking, Canadians are delighted that our tin plate business is going to Great Britain rather than to the United States. But most people are disappointed that the duties in connection with the matter could not have been arranged in an open and above board manner without departmental juggling and shadow boxing.

WHEAT AGREEMENT NOT GOOD FOR CANADA

THERE are a great many people who believe that the wheat agreement that is to come before Parliament requires Canada to reduce its acreage by 15 per cent. The Winnipeg Free Press has even found this error even in a Canadian Press dispatch from Ottawa.

Canada, in the wheat agreement, has made no undertaking regarding the acreage to be sown to wheat in this country. We have merely agreed to reduce our wheat exports and the reduction for two crop years works out to about 15 per cent.

The prime ministers of the prairie governments have undertaken to conduct propaganda in favor of wheat acreage reduction. If past experience is anything to judge by, the propaganda will merely encourage individual farmers to plant more wheat. The prairie governments could exercise some pressure through their relief advances of seed grain but this of course would mean that they could enforce wheat acreage reduction on farmers who are in dire plight but not upon the more prosperous farmers. Grasshoppers and the weather will have more to say about the size of Canada's crop than the prairie premiers or the Dominion cabinet. And the price of wheat will have a great deal to do with the acreage planted by the farmers.

The wheat agreement holds Canada down to an export basis based upon virtual crop failure. It is not in the best interests of this country and we would be better off if Parliament would refuse to ratify it.

VOLUMINOUS REPORT ON U. S. RAILWAYS

THE extensive report on the railway situation in the United States, made by Joseph E. Eastman, the federal co-ordinator of transportation, has proven generally disappointing. It is inconclusive and therefore not entirely acceptable to people who looked for support for their own notions on railway matters.

Mr. Eastman is by some railway men regarded as something of a radical and is therefore to them suspect.

Mr. Eastman apparently has little hope of the American railways being able to solve their own problems. The lack of young men coming up in the industry, the unwillingness of private investors to loan money, the excessive bonded indebtedness and capitalization of many of the railways, the duplication of service between railways and the failure to provide service and to charge rates which would bring the maximum use and revenue to the rails make him look for larger solutions.

The ultimate solution that he sees is the establishment of one large railway company for the United States to be owned by the United States Government. But such a plan, in Mr. Eastman's opinion, is incapable of being adopted today because federal credit would not stand the load. Nor does he consider the time ripe even for the super-system consolidations that have been advocated. This leads him to suggest, for the immediate future, a system of planned railway co-ordination under government compulsion. Railways would be given extended government credit freely for well-considered expenses; reorganization of insolvent railways would be speedily undertaken, particularly with the aim of reducing their fixed charges; and the railways themselves would co-operate to the fullest extent to eliminate duplicated or unnecessary facilities.

Gradually this would lead to consolidation and government ownership. Possibly in time all other agencies of transportation would have to be brought into the plan of co-ordination and consolidation.

It is significant that the key railway problems of Canada are similar to those of the United States. The problem of excess mileage and uneconomic competition exists in both countries as do the problems of overcapitalization; of reliance upon government credit through closure of private capital markets; of finding the happy medium between enterprise and regulation. Canada has ideas to contribute to the solution of these problems. But so have the Americans. Washington must watch Ottawa and Ottawa must watch Washington. Eventually, the two countries are likely to solve their railway problems along similar lines.

Mr. Eastman, apparently with regret, was unable to suggest immediate consolidation under government ownership. He thinks and hopes it will come but what reason is there to believe it would be any better solution tomorrow than today?

ONTARIO LOAN PROVED CAPITAL ABUNDANT

THE Toronto Star objects to the fact that the Ontario Government advertised its recent $40,000,000 loan in the weekly papers of the province several days after the loan had been completely taken up. The Star says there can be no objection to this advertising but it should have appeared before the loan was offered.

No doubt the Government had arranged for this advertising before it knew that the loan was going to be snapped up so quickly. It could have taken the necessary steps to cancel the insertions in the other papers, but would it have been wise to do so? One can never be quite certain how genuine is a rapid oversubscription of any loan. Bonds are taken up in large blocks by dealers, institutions and private investors who wish to make certain of getting a certain minimum allotment and who often subscribe for more bonds than they actually wish to carry. Thus, after any large loan has been completely sold there are bonds coming on the market from private holders for days or weeks afterward. It takes some considerable time for any issue to become thoroughly digested. The advertising that is done, even if it should appear a day or two after the loan books are officially closed, is most useful in ensuring its wide and permanent distribution.

The Star has been attempting to make political capital of the fact that the loan was offered at a price that enabled it to be sold in a single day and then to rise in the market on the following day. The Financial Post has reported the almost unanimous opinion of financial circles that the loan could have been sold at a higher price. Nevertheless one must recognize the problems of a provincial treasurer attempting to price an issue of this size. In this instance, Premier Henry, who is acting provincial treasurer, got the advice of able and disinterested financial men. If a mistake was made, it was as much theirs as his, at least so far as it is outwardly apparent.

The most significant feature of the loan is that it shows that there is greater strength in the bond market, greater total of capital awaiting investment than has generally been realized. This augurs well for an early revival of the corporation bond market. The fact that various corporation bonds that are now in default have risen remarkably in value recently indicates the rapid increase in public confidence in the general business outlook.

RECOVERY OVERSHADOWS THE NEW DEAL

IT IS JUST now becoming apparent to the American people that there are two very distinct and separate phases of the Roosevelt programme. There is first the group of activities which have as their objective the restoration of business activity and employment and secondly the other group of activities which aim at a social revolution.

It is true that many of the measures that have been adopted have embraced both concepts in varying degrees.

The split between the professional advisors of the President and the business leaders of the country has come about not so much because business questions the value of recovery measures but because the brain trust has focused upon the social revolution phases of the programme and has worked hard to advance these without placing sufficient emphasis upon the need for immediate recovery.

The distinction between the recovery programme and the New Deal has been emphasized many times in these columns. It has been impossible to understand what has been going on in Washington without keeping this distinction clearly in mind.

In a recent open letter addressed to President Roosevelt by John Maynard Keynes, the liberal Cambridge economist, a warning note was thrown out about the dangers of confusing the two issues. Mr. Keynes said to Mr. Roosevelt, "You are engaged on a double task, recovery and reform. Even wise and necessary reform may in some respects impede and complicate recovery."

There seems to have been a new resurgence of conservatism in American thought. As business improves there will be a swing away from the more radical viewpoint that has been the dominant note of the past year. Recovery will tend to take first place and the New Deal then will have to take second place.

QUARTERLY MINING REPORTS TO PROTECT INVESTORS

IT IS logical that Ontario, as the premier mining province of the Dominion, should take the lead in giving investors and the general public detailed information regarding the mining activities and production of the various mines. Not only are monthly total production figures published, but quarterly detailed production figures of each gold mine are published. Annually a detailed compilation of production figures and activities is incorporated in a bulletin form.

With exploration carried to the far corners of the Dominion and many new producers being brought in, the time has come for greater uniformity of reports by the respective provinces of the Dominion in order that the investor may know the true status of affairs of these new producers. In several flagrant instances in recent months the withholding of production information has aided market manipulators and deceived the general investing public. This would not be possible if each province followed the leadership of Ontario in giving detailed quarterly production figures. These production figures are available to the respective governments, but the hesitancy on the part of some of the provinces to make them known is in deference to the views of certain mines operators. Some of the leading mines voluntarily make these figures available, independent of the government.

Quarterly production figures from each mine are necessary for investors to follow their activities. Monthly production figures are rendered by many companies, but these necessarily are estimates and it is a well-known fact that monthly production varies considerably and is liable to false interpretation, while quarterly production figures give a better average indication of what a mine is doing.

The important mining companies also voluntarily make quarterly or semi-annual income statements. Indeed, few industries take their shareholders into their confidence as do the leading mining companies.

There can be no excuse for withholding production figures, in the case of gold mines, as their business is non-competitive.

EDITORIAL NOTES

The Amos 'n' Andy influence is getting into the financial press. The Annalist, New York, speaks of the "remand" for new automobiles.

* * *

What has the Winnipeg Free Press got against the Bowater plan for reorganization of Price Brothers? It says the new board would include a majority of "reprehensive" Canadians.

* * *

Toronto's celebration of its hundredth anniversary as a city might well be linked in some way with a similar celebration this year in Melbourne. The Australian metropolis was founded in 1834 and in October of this year will celebrate the event in feast and pageant.

* * *

The first governor of the Reserve Bank of New Zealand has been appointed from the staff of the Bank of England. He is rated as an authority on central banking. It is not so certain that he is an authority on the problems of New Zealand.

* * *

In offering 2½ per cent on one-year treasury notes, free of all taxation, the United States government is playing the rôle of hog in the capital market. The rate is too high, under present conditions, for such borrowings and will retard rather than stimulate recovery. In Great Britain long term government bonds, subject to all income taxes, yield only about three per cent.

Post-Scripts

JUST another coincidence but a very remarkable one. Fortune, a magazine published in Chicago, came out with its February issue the other day. One of Fortune's customary modernistic covers adorned the outer page. It was a futuristic study of a stamp album, open at the page devoted to Newfoundland issues.

Our copy arrived the day the cables carried the story of the arrest of a Newfoundland cabinet minister for alleged theft of a portion of the colony's collection of famous Newfoundland stamps.

* * *

CONSIDERABLE interest has been aroused by an item published in this column to the effect that the life of razor blades can be prolonged by keeping them lying north and south by the compass. Very few bathrooms, despite modernization, have compasses. But they all have a glass tumbler. Hence the following story in the current Bulletin of Canadian Airways will be of interest to those shavers who are interested in making one blade do the work of two or more:

"We can well imagine that the first effect of publishing this item will be a run on stores with requisitions for 'Compass .1. Mark 12X Pioneeriodic.' Where such are not available there will possibly be a line-up each morning on the compass swinging base where rotating stools will enable shavers—young and old—to keep their blades correctly orientated—due allowance being made for local variation.

"Having got away to a good start it is just as well to encourage research of this kind, and it so happens that Engineer McSpirkle, who is located at Good Hope, has been conducting some ad hoc research on a razor blade and has forwarded the results of his investigations. The everlasting razor blade and the never-wear-out neck tie are matters to which McSpirkle has devoted much study, but with only moderate success. By honing his razor blade round the inside of a circular drinking glass, Mac found that a beautiful cutting edge could be maintained—in fact, two cutting edges, for Mac never buys the single edge blade, and it was the knowledge that he had one edge in reserve that led him to take only one blade when he went north at the beginning of the summer flying season.

"Best results are obtained from the honing when the glass is wet and the blade kept at the level at which Mac generally says 'when.'"

Sayings of the Week

"Until a man is 40 he is learning to learn." —*Henry Ford.*

* * *

"We have never seen any overproduction of anything."—*Henry Ford.*

* * *

"The object of work is living, experience and happiness."—*Henry Ford.*

* * *

"I think the general tendency of civilization is toward smaller brains."—*Sir Arthur Keith.*

* * *

"We shall soon have a population that cannot walk or read or write or think."—*Dean Inge.*

* * *

"The writing man is a nuisance in his home, and ought to be suppressed."—*H. G. Wells.*

* * *

"The companionships formed at college are a vital part of the curriculum."—*Dr. Nicholas Murray Butler.*

* * *

"I am without political ambition."—*General Hugh S. Johnston, National Recovery Administrator of the U. S. A.*

* * *

"Business, at rock bottom is essentially a human undertaking, run by and for human beings."—*Sir Henri Deterding.*

* * *

"President Roosevelt's sociological ideals are 20 years ahead of current thought."—*Father Charles E. Coughlin, of Detroit.*

* * *

"President Roosevelt has added to American history a portrait that can never be forgotten."—*J. S. Garvin, editor, The London Observer.*

* * *

"The recent gyrations of the dollar have looked to me more like a gold standard on the booze than the ideal managed currency which I hope for."—*J. M. Keynes.*

* * *

"An isolated nation in this twentieth century is a figment of an uninformed imagination."—*Dr. Nicholas Murray Butler, president of Columbia University.*

* * *

"The young man of today is compelled by circumstances beyond his control to become a robot in a fatalistic scheme of things which must cause him to believe that he counts for very little."—*Sir Ernest Benn.*

* * *

"The leadership of the Rt. Hon. R. B. Bennett is one of the greatest pieces of good fortune ever bestowed upon a country in distress."—*John T. Hackett, K.C., M.P., Conservative member for Sherbrooke-Stanstead.*

* * *

"The fight against nationalism has lost. Internationalism, if it means anything more than the friendly co-operation between separate, distinct and wholly independent nations, rests upon a false foundation."—*U. S. Senator Borah.*

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By J. L. BURTON-LEWIS

Hitler's First Year of Power

WHEN Adolf Hitler, then leader of a minority political faction, was advanced to the chancellorship one year ago by President von Hindenburg, under limitations of authority which seemed quite rigid, the impression was general, outside of Germany, that the new official had been "given enough rope with which to hang himself." Still unhung, Hitler has devoted his first year of power to grasping more and yet more rope—enough to hamstring his own country and, in many senses of the term, to enmesh the world, if he wanted to and could use it.

With a perfect sense of the dramatic, he has linked startling incidents with elections, exercised the full sway of his personality as he has made sweeping declarations about both, and established absolute rulership over his country. At the same time he has exhibited a complete inability to understand the attitude of the outside world—or a total disregard for it—and gained his internal triumphs at the cost of encircling Germany with suspicion, antagonism and open hostility.

The developments during his régime—the Reichstag fire and subsequent electoral triumph, the suppression of minority parties, the domination and virtual elimination of the Reich as a governmental institution, the invasions of private enterprise, the intensity of the anti-Semitic crusade, the general acceptance of the doctrine of "conformity," the withdrawal from the League of Nations and the even larger triumph at the polls which followed it, and the severance of German ties with the Disarmament Conference, the World Court and International Labor Organizations—are all steps which carried with them some measure of surprise or shock to non-German people. All of them, however, conform with the programme Hitler has been advocating since 1920. These are significant milestones he has passed for, by passing them, he has established the presumption that he is still travelling the route he charted for himself more than a dozen years ago.

* * *

TO THE extent that the new Germany, under Hitler, comes in contact with other nations by design, rather than incidentally through foreign resentment of its domestic policies, its purposes are, largely, the same as those of the old Germany, when the Government was republican in form and fact. The chief change has been in methods and spirit. Stresemann, who held the world's respect, had the same primary goal as the Nazi chief: to regain for Germany the power and standing lost in the war. He, as Hitler, saw a contradiction in terms when a "great power" was impotent, and did much—far more than Hitler to date—to end the impotency and re-establish the Reich on a basis of true "greatness."

But the dividing line between the old foreign policy and the new is that Stresemann and his immediate successors, holding to the phrase of Bismarck, counted diplomacy "the art of what is possible" while the Nazis "repudiate this dictum, for their phenomenal internal successes dispose them to believe that everything is possible with sufficient determination and fanaticism." The phrasing of this analysis is that of Professor F. L. Schuman, University of Chicago, who has just returned from an eight months study of conditions in Germany, writing in Current History. The basis for it can be found in thousands of utterances and actions of Hitler.

Supporting evidence is found in the way the Nazi leaders have discarded all pretenses of general cooperation through international institutions, and of open conciliatory negotiations, and turned instead to direct discussions and secret bargaining of the old "balance of power" order. There have been efforts to conciliate France and Poland, to build an Anglo-German-Italian alliance, and to turn "Pan-Germanism" into "Pan-Fascism."

* * *

THE ultimate plan of Hitler, Professor Schuman believes, is for expansion to the east. The conciliatory attitude toward Poland, he thinks, is with the purpose of regaining the Corridor by persuading Poland to exchange it for the Ukraine, and then to push eastward and "colonize" Russia.

The literature of the Nazis and the words of their leaders support this view, while there are reasons to believe that absorption of Austria and portions of Czechoslovakia, and return of the Saar and other regions lost in the war are included in the dream of a greater Germany. Such thoughts are aired publicly less frequently now than in the past, because they are for the time impossible of achievement, but crusading continues in Germany against the "Jewish plague," communism, wherever it may exist, and "decadent democracy." Fanatic adherence to these ideas—already established—plus force, would carry the Nazis in the directions outlined.

The nature of these dreams, of course, has made it impossible for them to be accomplished, at least for the time. Only with force behind them do they become problems, except to the extent that they are influencing the psychology of the German people. They are, if nothing more, contributing to the development of a future fund of force and to a spirit that will tend to bring it into action. The course Germany will take, since she has accomplished for herself a state of diplomatic isolation, is not predictable. Regardless of his words, his emotional appeals, his appearance of sincerity in supporting the cause of peace, Hitler has, in many of his acts during his first year added to the danger of ultimate war.

* * *

THE final results of domestic policies put in force by Hitler cannot be estimated so readily. It is argued that economic necessity justified the vicious anti-Semitic campaign, the silencing of opposition through the use of concentration camps, the terrorism which flares in every dictatorship.

But the point left in doubt is as to the extent of the economic benefits brought by these developments. The foreign trade balance of the Reich dropped by a third in Hitler's first year. Questionable financing practices are being resorted to, in an attempt to use debts of the Reich to permit an indirect but dangerous form of export dumping. Figures showing curtailment in unemployment give every evidence of being heavily padded. It is not easy to find the true story.

As Others See Us

Defaulting Municipalities

Winnipeg Free Press: Some western municipalities have been unable to pay the interest on their bonds, but this cannot be attributed to more wasteful or extravagant municipal administration than in other parts of the country. The failure of municipalities has been much worse in Ontario, according to The Financial Post.

Western and Eastern Defaults

Edmonton Journal—When so much is being published about western financial difficulties, some information supplied in the last issue of The Financial Post should be noted. By the end of 1933, we are told, defaults had taken place in Ontario municipalities with a total funded debt of $75,000,000. . . . These included Niagara Falls and Sudbury, as well as urban communities bordering Toronto. It is also stated that, while there have been many western defaults, the amountz involved are relatively small.

An Imperial Bank

Moncton Transcript.—Le Devoir, a Quebec newspaper, shares the fears of The Financial Post and others that the central bank scheme proposed by Lord Macmillan is simply another step in an Imperial banking plan which will eventually place our existing institutions in a secondary position.

"This project of a central bank, propagated, pushed and prepared by a group in Britain," says the French-Canadian newspaper, "looks uncommonly like being an Imperial as well as an Imperialistic machine. The enquiry may well be made whether Canada should get into such company, where she will have to row for the benefit of the pound sterling, and what she will have to pay in good Canadian dollars for the errors of the pilot.

"As far as can be judged," says the Quebec paper, "the principle that the majority report of the Macmillan Commission sanctions is to bind the dollar to the pound sterling under the pretense that it is necessary to unify Imperial finance."

Whether or not there is anything in this contention, it is well to remember that the pound sterling is British money, whose value is deliberately manipulated in the interest of the British people only, as is the American dollar by President Roosevelt solely from the viewpoint of their domestic price level.

Closer financial affiliation with Great Britain may be strongly desirable, and in fact the only alternative, if there is no immediate return to the gold standard, might be a closer financial affiliation with the United States. But desirable as it may be, most Canadians doubtless would prefer that these new arrangements be handled for us by Canadians, and therefore the necessity in establishing a central bank to ensure that control should not pass into foreign or even private hands. This was the decision which New Zealand made when offered a replica of the Bank of England closely associated with the original in London.

Other People's Views

The Simple Plan

New York Times.—Under the Fascist system all those in favor vote "Aye," and all those opposed vote "Aye."

Hamilton Shows Way

The Rotarian—Not so long ago a contributor to The Rotarian gently lampooned the fellow citizen of one Hiram Stickum, of Stickum, Goode & Proper, glue manufacturers, who fêted him with a banquet upon the occasion of his leaving the community to set up his business elsewhere. The satirical vein held up rather well to the very last line, when came the question, "Next time, instead of giving some fellow a dinner for moving away from this town, why not give one to some fellow who moves in?"

At Hamilton, Canada, a correspondent writes, this suggestion was anticipated five years ago. He notes that "We have an annual dinner for all business executives who have moved in within the previous twelve months. Our city has 160,000 population, and this list runs anywhere from thirty to fifty each year. They are entertained by the Hamilton Chamber of Commerce."

Loneliness of Leadership

Edmonton Journal—Hon. H. H. Stevens finds, after twelve years of effort, that raising his voice to give a lead to public opinion "is a pretty friendless task." Most leaders feel the same way. The very word "leader" suggests being out in front. And that is a lonely place to be.

At no time, however, has there been a greater need for leaders. Those who remain constant to their convictions, who persist in pointing out the safe path in spite of the apparent heedlessness of the many, are doing a very great service to their people. Ancient and modern history affords many an example of the other type of leader who seeks the favor of the public by raising "popular" issues and offering "popular" solutions to existing problems.

Preaching an unpopular doctrine may be the hard course but the leader who prefers truth to acclaim will, in the long run, win the sincere gratitude of his followers.

"Stop Me If You Have Heard This One"

"Lady, could youse give me a quarter to get me where my family is?"

"Certainly, my good man. Here's a quarter. Where is the family?"

"At de movies."

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

Inquiries may be made to our nearest Branch

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

For February Funds . . .

	%	Maturity	Price	Yield %
Dominion of Canada	4	Oct. 15, 1945	96.50	4.38
Dominion of Canada	4½	Nov. 1, 1958	100.00	4.50
Dominion of Canada Guaranteeing C.N.R.	4½	Dec. 1, 1968*	101.75	4.40
Province of Ontario	4½	Jan. 16, 1949	98.50	4.64
Province of Ontario	4	June 1, 1951*	99.75	4.35
City of Hamilton	4¾	Mar. 2, 1947	99.01	4.85
City of Montreal	4½	Apr. 1, 1971	93.50	4.89
City of Brantford	5	Dec. 31, 1936	99.00	5.40
National Light & Power Co..	6	Nov. 1, 1949	76.00	8.80

*Payable Canada, London and New York

Telephone or wire at our expense.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161

Montreal — Telephones: *Harbour 2276*; Ottawa — *Queen 878*; London — *Metcalf 1468*; Hamilton — *Regent 0010*

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
63 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000
Make Mortgage Loans on Owners' Homes at reasonable rates of interest.
ARCHIBALD McPHERSON, *President* T. H. MAIN, *Manager*

Safety for Valuables

A Safety Deposit Box may be retained in The Dominion Bank at a small rental for your valuable papers—stock certificates . . . bonds . . . mortgages . . . deeds . . . insurance policies . . . your will . . . jewellery, et cetera.

Rentals are as low as three dollars a year. —less than one cent a day.

THE DOMINION BANK
ESTABLISHED 1871
BRANCHES THROUGHOUT CANADA AND OFFICES IN NEW YORK AND LONDON

The HUMAN SIDE of a great Industry

THE making of bank notes, stock certificates, bonds, postage and revenue stamps and all monetary documents by the Canadian Bank Note Company involves to the greatest extent human labour and human skill.

Beginning with the paper on which these important documents are printed—difficult and exacting specifications are met. The engraving of such documents is in every sense of the phrase a fine art, only to be entrusted to men whose talents and long training fit them for this work. Each step in the process requires another highly skilled artisan. More than thirty trades must be successfully co-ordinated for the production of this work.

OVER 100 YEARS OF DEPENDABLE SERVICE

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works—OTTAWA
—*Branch Sales Offices*—
TORONTO MONTREAL

Business Conditions in Canada

The Week in Business

January Construction Up 87%

ALTHOUGH it would appear that a large proportion of the total of construction contracts awarded in January was for relief construction work, the fact that the total for the month was almost double that of January a year ago is significant. Engineering jobs accounted for $4,110,600, over 60 per cent of the total of $6,293,100 for the month. In January, 1932, engineering amounted to only $1,036,000, or less than 30 per cent of the total for that month of $3,362,400.

Totals for residential, business and industrial building in January remained at the low level of a year ago, the respective comparative figures being $939,900 in 1934 and $948,100; $1,037,400 and $1,052,500; and $206,000 and $325,800. There were no particularly large amounts included in the engineering total, the largest being one for $350,000 for mining development in Cadillac township, Quebec, followed by several for around $200,000 for municipal sewage and road works.

* * *

Maritimes in Spotlight

THE Maritimes holds the spotlight this week both by virtue of the fact that it was the only area with increased employment on Jan. 1, as compared with the beginning of the previous month and by optimistic reports collected by the Canadian Credit Men's Trust Association at Halifax and St. John. Winter port activity, including heavy shipments of apples and lumber, and stiffening prices, particularly in lumber, have created greater employment and increased sales at retail. Apple shipments are now well over the million barrel mark and are about three times the figure of last winter.

Severe winter weather, while creating transportation problems and thereby slowing down distribution of produce, has resulted in increased demand for clothing and footwear. Employment reports to the Dominion Bureau of Statistics show increases in coal mining, transportation and railway construction which, while partly seasonal, compare with declines at the same time a year ago.

* * *

Says Office Rents to Rise

HIGHER rents for business premises are already being visioned by realtors, according to the Dun & Bradstreet weekly review of business. It is reported that they are unwilling to grant leases for any considerable length of time at present rates. An improvement in demand and expectation of a further increase is said to be the reason.

* * *

New Industry Prospers

FROM Sackville, N.B., a correspondent writes, drawing our attention to the progress made by a Saint John firm by the name of Sea Products, Ltd. A few months ago, a news item to the effect that this firm was starting to manufacture a cod liver product appeared in The Financial Post. Since that time the firm has prospered and is now applying to the New Brunswick Board of Public Utilities in connection with financial arrangements to increase production.

Sea Products was formed to manufacture cod liver oil put up in tasteless form by coating with chocolate. At the present time the firm has a production of two tons of liver product per day, the chocolate bar coating being manufactured by a firm in St. Stephen, N.B.

Alberta Sugar Beets 1933 Production Higher

Final figures from the sugar beet districts of Southern Alberta show a total production of 137,458 tons, a slight decrease from 1932. The farmers received an average of about $6 a ton.

The factory at Raymond has manufactured about 45,000,000 lbs. of sugar this season, and the sugar content of the beets this season was quite high, being over 18 per cent.

Montreal Real Estate Sales

The annual report of the Montreal Real Estate Board shows sales in city wards numbering 5,305 in 1933, valued at $40,326,293, and in the suburban municipalities 1,971 transfers with a total value of $11,050,178.

FORD, CHEVROLET DOMINATE FIELD COMMERCIAL CARS

Sales of Heavy Trucks Very Light Last Year

Competition in the truck field is just as keen as in passenger cars, although there are fewer manufacturers and sales only amount to about one-sixth of passenger car sales. In Canada, Chevrolet and Ford add substantially to their total sales by the sale of commercial units and dominate the field as far as total unit sales are concerned to an even more marked extent than in passenger sales.

Comparison of sales of trucks and commercial cars is not constructive unless some division is made for the light, medium and heavy divisions. It is in the light truck division that the majority of sales are made and in which Ford and Chevrolet obtain the largest number of sales. Medium weight chassis are also available in both these makes but as no segregation is made in compiling totals, the number of sales in this field are not available.

Medium Division Sales

All the other leading makes, as shown in the table below, compiled by Might's Directories, have various models in the medium division. Sales of heavy commercial vehicles in Eastern Canada in 1933, as shown by this compilation, were very small. Federal sales numbered 23, Gotfredson 22 and Leyland 17.

Total sales of commercial vehicles in Eastern Canada in 1933 numbered 4,951, as compared with 6,173 in the previous year and over 40,000 in 1929 and 1930. Eastern Canada sales represent between 80 and 85 per cent of the Canadian total.

Commercial Car Sales In Eastern Canada

	1933	1932
Chevrolet	1,751	2,251
Ford	1,361	1,686
Dodge	439	342
International	424	443
G. M. C.	398	402
Diamond T	109	87
Reo	100	219
Studebaker	69	131
Rugby	62	190

Commodity Prices

Gains in almost all important commodities traded on North American commodity markets were maintained during the past week and commodity indices continued the advance of the previous five weeks. The decline in the value of both the U. S. A. and Canadian dollars in terms of gold is undoubtedly one of the most important influences in this rise but there are also evidences of renewed buying interest in the principal markets.

Export demand for wheat at Winnipeg accounted for a slight rise at the beginning of the week. Reports from the rubber and cotton markets indicate that manufacturers are beginning to stock up at present prices and that the demand was sufficient to account for a good increase in prices of both commodities.

Commodity Prices at Wholesale†

	Week ending Jan. 27	Previous week	Same week last yr.
Cattle, cwt.§	$6.50	$6.00	$4.50
Copper, lb.	.08¼	.08½	.05
Cotton, lb.	.1160	.1150	.0625
Rubber, lb.	.0994	.0976	.0296
Sugar, raw, lb.	.0326	.0320	.0270
Silk, lb.	1.47½	1.42½	1.20
Wheat (Man.) bu.‡	.67¼	.65⅝	.44⅝
Hides, lb.	.10½	.10	.05
Coffee, lb.	.09⅝	.09¾	.08¼
Weekly Indices♦			
N. Y. Annalist■	104.2	103.3	81.3
Fishers'	72.5	72.1	†71.3
Comm.	72.7	73.1	52.6
Crumps (Brit.)	65.8	65.4	†63.4
Can. (D.B.S.)▲	93.2	88.1	71.3
U. S. Labor●	71.7	71.0	62.0

†Average, 1933. ●Jan. 13.
■Week to Jan. 23. §Jan. 25.
▲Jan. 20. ‡Jan. 29.

Monthly Indices♦

Canada (B.D.S.)	Latest w'sale	Prev. month	Same month last year
W'sale (Dec.)	69.0	68.7	64.0
Retail (Dec.)	78.4	78.1	81.4
U. S. Labor (Nov.)	71.1	71.2	63.9
Gt. Brit.* (Nov.)	69.6	69.3	68.2

♦N. Y. Annalist base, 1913, others 1926 = 100.

*Board of Trade Index, converted from 1913 base.

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York; silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Canadian Business Indicators

Compiled by The Financial Post

■Denotes new figures this week.

	Weekly Latest 1934	1933	Cumulative Jan. 1 to date 1934	1933
Transportation—				
Car loadings (Jan. 30)	40,782	32,950	116,533	92,358
C. P. R. gross earn. (Jan. 21)	$ 1,975,000	$ 1,922,000	$ 5,868,000	$ 5,071,000
C. N. R. gross earn. (Jan. 21)	$ 2,687,453	$ 2,278,143	$ 7,680,306	$ 6,444,522
	Monthly 1933	**1932**	**Cumulative Jan. 1 to date 1933**	**1932**
C. P. R. net earn. (Dec.)	$ ■3,246,397	$ 2,510,749	$ 20,862,105	$ 20,089,984
C. N. R. net earn (Nov.)	$ -1,548,099	$ 736,600	$ 4,998,057	$ 6,031,155
Iron and Steel—				
Pig iron, tons (Dec.)	38,612	27,031	229,076	144,130
Steel, tons (Dec.)	49,557	27,313	407,981	339,346
Automobile prod. No. (Dec.)	3,262	2,112	65,924	60,789
Auto Vehicles—				
Passenger, sales, No. (Nov.)	989	880	38,768	37,773
Trucks & buses, sales, No. (November)	326	311	5,597	7,059
Auto. exports, No. (Dec.)	1,657	1,132	20,900	13,022
Construction—				
Building permits (Dec.)	$ 1,975,855	$ 1,569,255	$ 21,629,783	$ 42,319,397
Contracts (December)	$ 8,207,600	$ 4,190,000	$ 97,289,800	$ 132,872,400
Newsprint—				
Production, tons (Dec.)	175,304	138,682	2,017,004	1,907,566
Exports, tons (Dec.)	185,636	136,993	1,838,098	1,826,758
Sugar—				
Imports, raw, lbs. (Dec.)	■12,718,800	22,731,400	486,962,000	674,635,900
Melt. & ship., lbs.*	■34,406,275	37,750,363	766,974,723	854,402,512
Manufactured, lbs.*	■56,968,324	61,344,717	881,877,554	956,289,254
Flour—				
Production, bbls. (Nov.)	1,827,340	1,942,844	12,916,177	13,455,365
Wheat flour exp., bbls. (Dec.)	413,183	492,033	5,570,136	5,131,781
Other Industrial Indices—				
Lumbering: Plank & board exports, mill. ft. (Dec.)	99.39	38.54	1,018.77	675.05
Boots and shoes, pr. (Nov.)	1,371,253	1,361,334	18,276,487	16,901,154
Petroleum, imp., crude gal. (November)	91,761,448	51,705,764	789,422,732	857,034,459
Cotton, imp., raw, lbs. (November)	19,058,000	15,376,000	99,895,192	83,537,000
Rubber, raw, imp. lbs. (Nov.)	4,892,000	3,568,000	39,311,451	44,745,675
Coal, imports, tons (Dec.)	■906,931	893,636	11,485,224	11,673,428
Gasoline sales, gals. (Sept.)	61,620,000	63,441,000	379,947,000	389,889,000
Trade—				
Imports (December)	$ 35,367,558	$ 28,961,212	$ 401,254,812	$ 452,614,257
Exports (December)	$ 50,928,856	$ 42,615,796	$ 531,474,179	$ 493,808,841
Labor—				
Employment Index (Jan.)	88.6	78.5	......	......
Exports (November)	$ 60,384,590	$ 45,944,520	$ 480,545,323	$ 451,193,045
Wheat exports, bus. (Dec.)	17,457,963	27,735,999	191,968,861	228,219,755
Electric Power—Output—				
M. Kilowatt hours (Nov.)	1,702,558	1,448,227	15,843,841	14,429,791
Finance—				
Failures, No. (November)	■155	229	1,885	2,224
Failures, Liabilities (Nov.)	$ ■1,939,833	$ 4,342,717	$ 30,609,086	$ 38,849,423
Bank debits (Dec.)	$ 2,492,000	$ 2,085,000	$ 29,981,544	$ 25,844,683
Bond sales (Dec.)	$ 10,000	$ 9,067,200	$ 528,401,069	$ 479,366,270
Insurance sales (Dec.)	$ 37,376,000	$ 33,483,000	$ 364,050,000	$ 403,923,000
Automobile Financing—				
Used cars (December)	$ ■426,109	$ 658,822	$ 10,125,806	$ 13,124,289
New cars (December)	$ ■307,666	$ 473,433	$ 10,029,092	$ 12,741,358

*Four weeks period, Dec. 9 to Dec. 30. †(000's omitted).

Eastern Provinces Lead In 1933 Improvement

Early Gains of Prairies Partly Offset By Poor Crops—All Areas Show Much Higher Level of Activity, However, Than at Beginning of Year

By SYDNEY B. SMITH

Measured by indexes of business activity, the five economic areas of Canada shared in the recovery of 1933. New low points for the depression were reached in the early months of the year in each of the areas, except British Columbia, where the depression minimum was shown in the later months of 1932. The advance was well maintained in each of the areas except in the Prairie Provinces, where the partial failure of the grain crop led to reaction after August. Notwithstanding the decline from September to the end of the year, the net gain in the index of the three provinces from February to December was almost 11 per cent.

The index of the Maritime Provinces retreated to a new low point in April, reaching a minimum for the period of observation from the beginning of 1925 to the present. The index then moved up from 88.7 to 108.2 in December, a gain of no less than 22 per cent.

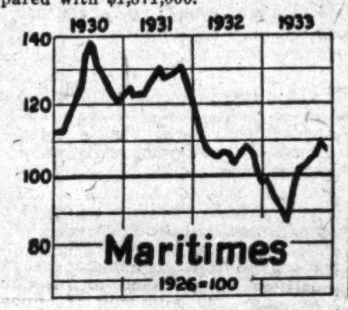
Gains in Eastern Areas

The index for Quebec reached in April a new low point since the early months of 1926. The subsequent advance raised the level by 20.5 per cent, the index being 110.5 in December. The trend in Ontario was somewhat similar, the low point being reached in March, with the advance to December amounting to 23 per cent.

The gain in British Columbia from January to December was about 14 per cent, the index standing at 92.0 in the last month of the year.

Maritime Provinces—Despite the gain in four factors out of the nine used in this connection, the index for the Maritime provinces reacted in December to 108.2 compared with 110.0 in November. New business obtained by the construction industry was limited in December, contract awards being $297,000, while building permits were $69,000 compared with $61,000 in November.

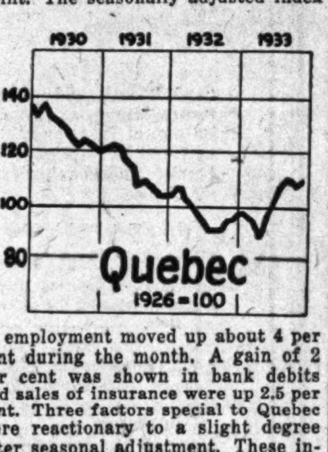
Electric output on an average daily basis was down, the index being 175.0 compared with 206.5. The event of the month was the gain in employment, the adjusted version being 100.7 compared with 96.0. Bank debits dropped back, while an excellent gain was shown in sales of life insurance. Total reported sales were $2,435,000 compared with $1,871,000.



The index of imports through Maritime province ports moved up from 62.7 to 69.2, a gain of 10.5 per cent. The total was $2,769,000 compared with $2,495,000 in November. The gains in exports and tonnage of vessels cleared from Halifax and Saint John were less than normal for the season. The recovery in the Sydney district is indicated by the production of 44,600 tons of coal during a recent week by the Dominion Coal Co. at Glace mines with an employment of 8,000 persons.

Quebec—The index for Quebec moved up in December, following the minor recessions of the two preceding months. The result was that the standing in December was practically as favorable as in September, the high point of the year. Factors of a general nature were unanimously stronger in December.

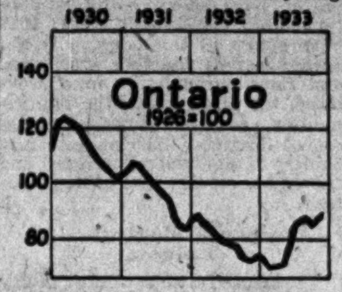
Contract awards were $2,759,000 compared with $2,300,000 and building permits moved up from $356,000 to $838,000. The index of electric output showed a gain of less than one point. The seasonally adjusted index



of employment moved up about 4 per cent during the month. A gain of 2 per cent was shown in bank debits and sales of insurance were up 2.5 per cent. Three factors special to Quebec were reactionary to a slight degree after seasonal adjustment. These included the production of boots and shoes, the imports of raw cotton and the output of newsprint. The net result was that the index for Quebec was 110.5 in December compared with 109.8.

Ontario—The business index reached a new high point for the year in December, the standing being 89.7 compared with 87.4 in November, a gain of 2.6 per cent. A considerable increase was shown in building permits after seasonal adjustment while contracts slid off. The electric production index moved up from 107.6 to 110.3, a gain of 2.5 per cent. The decline in the index of employment was greatly less than normal for the season, the increase after the adjustment being no less than 6.4 per cent. Bank debits and sales of life insurance were at lower levels after the usual adjustment.

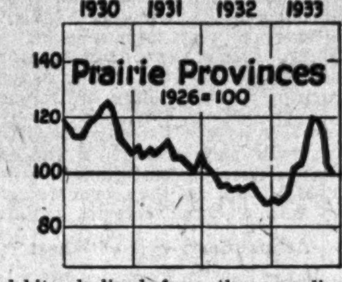
Livestock slaughterings reached a lower point in December, while a marked advance was recorded in steel production and in the output of motor cars. Gradual improvement is continuing in the manufacture of agricultural implements at Brantford. The steel plant at Sault Ste. Marie is running steadily and at present is engaged on a rail order for 30,000 tons of rails for the C.N.R. At Windsor, the Ford Motor Co. recently commenced production on a fairly large



scale with approximately 3,500 men working 4 and 5 days per week.

Prairie Provinces—Three of the eight factors used in measuring the trend of business in the Prairie provinces showed gains in December. New business obtained by the construction industry was at a lower level. The gain in the index of electric power production was 2.5 per cent.

Employment in industrial pursuits after seasonal adjustment showed a gain of 5.1 per cent, the adjusted index moving up from 85.8 to 90.2. Bank



debits declined from the preceding month. Sales of insurance at $5,631,000 compared with $4,694,000, showed an adjusted gain of 8.7 per cent. Receipts of wheat at country elevators were 10,292,000 bushels compared with 23,010,000, the decline in the index being from 38.0 to 31.5. The price of contract wheat averaged 60.2 compared with 63.7 in November.

The index for the Prairie provinces was 99.8 compared with 103.0 in the preceding month.

British Columbia — The index for British Columbia reached in December a new high point for the year. Contracts and building permits recorded very low levels. Electric output after usual adjustments was up 5.1 per cent. The seasonally adjusted index of employment moved up 4 per cent during the month.

Bank debits were less than in November, while sales of life insurance were 13.5 per cent greater. Exports through British Columbia ports were $9,428,000 compared with $8,233,000, the adjusted gain being 9.2 per cent. Imports and tonnage of vessels cleared from Vancouver showed recession after seasonal adjustment.

The index for British Columbia was 92.0 compared with 89.8.

January Staff Lay-offs Smallest On Record

Reduction from December Only About Half Average for Past Twelve Years — Adjusted Index Gained 4 Points to Reach 1931 Level

Partly due to shutdowns over the holiday season and for inventory purposes, employment at January 1 always shows some considerable decline from the beginning of the previous month. This year, however, the decline was the smallest in the twelve years that employment data have been collected by the Dominion Bureau of Statistics. Co-operating firms laid off 30,387 workers as compared with an average of 59,900 for the period from 1922 to 1933. The index number on the basis of 1926 equals 100 and adjusted for seasonal trend, increased from 90.9 to 95.0, the highest point since the beginning of 1932.

The greatest curtailment on Jan. 1 was in manufacturing, in which the indicated reduction accounted for over 72 per cent of the general decrease noted. The contraction in factory employment on that date in other years of the record has always been succeeded by a revival at the beginning of February, although in no year has the recovery equalled the decline in the preceding month. The recession on Jan. 1, 1934, was less than average, being in fact the smallest noted in the thirteen years for which statistics are now available.

Some Increases

Within the manufacturing group, the largest losses occurred in food, textile, lumber and metal factories. Among the non-manufacturing industries, there were pronounced seasonal decreases in building and highway construction, transportation and wholesale trade. On the other hand, logging, coal mining, railway construction, services and retail trade reported decided improvement, in some cases also of a seasonal nature.

All provinces except the Maritimes recorded reduced activity. As is customary at the beginning of the year, firms in Quebec and Ontario laid off the greatest number of workers, mainly owing to the predominance of manufacturing in their industrial distribution. The percentage declines were largest in Quebec and British Columbia.

The increase in employment in the Maritimes was largely seasonal in character, gains taking place in coal mining, transportation and railway construction, while manufacturing, building, highway construction and trade were slacker. Substantial declines were recorded at January 1 a year ago and the index was 17 points lower at that date.

There were contractions in seven of the eight leading cities for which separate tabulations are made, there being very little change recorded in Ottawa. Summary of employment in these cities follows:

Montreal — Important curtailment was shown in transportation, construction and manufacturing, especially in food, textile, leather and iron and steel plants. On the other hand tobacco and beverage plants and retail trade were busier than at December 1. The reduction was smaller than a year ago.

Quebec—Transportation reported a considerable seasonal loss and manufacturing and construction afforded less employment, while services showed some improvement.

Toronto — Employment was in greater volume than a year ago and the decline was considerably smaller. There were losses in manufacturing, construction, transportation, services and wholesale trade. Retail trade reported substantial improvement.

Ottawa — Manufacturing recorded seasonal curtailment, but trade construction and transportation were rather more active, the gains in the latter two being partly the removal of snow. The result was a slight gain in employment as compared with a considerable loss a year ago.

Hamilton — Manufacturing and transportation reported reduced activity, while road and street work and services showed some improvement from December 1. About twice as many workers were released a year ago.

Windsor—Activity was greater than at Jan. 1, 1933, but there was a decline from Dec. 1 in manufacturing.

Winnipeg — Retail trade was the only activity to show improvement over the previous month. More workers were released than at Jan. 1, 1933, the level of employment being practically the same.

Vancouver — The index declined slightly below that of the previous year, reductions being slightly larger than at that time. Manufacturing, building and retail trade released workers.

THERE ARE ADVANTAGES
Join the Ely circle

JOHN COTTON'S TOBACCOS
"Scotland's Best"
Mere adjectives will not do justice to this famous tobacco which is recognized by connoisseurs as the *world's finest.*
JOHN COTTON'S secret process of blending can not be equalled and makes it the friendliest, smoothest, mellowest tobacco you ever smoked.

In three strengths— Mild » Medium Strong
1 Ounce Tin - 25c
2 Ounce Tin - 50c
4 Ounce Tin - $1.00
11

The Seventieth Anniversary
The Huron & Erie Mortgage Corporation
Reviews Seven Decades of Progress

	Deposits	Debentures	Assets
1873	$ 400,000	Nil	$ 1,260,000
1883	900,000	$240,000	2,580,000
1893	1,200,000	2,500,000	5,900,000
1903	1,600,000	3,900,000	8,000,000
1913	1,900,000	8,600,000	15,200,000
1923	6,100,000	13,700,000	26,800,000
1933	8,900,000	29,100,000	45,900,000

Financial Statement for year ended December 31, 1933

Assets		
Office Premises		$ 2,087,552 99
At London (four buildings), Toronto, Winnipeg, Windsor, Chatham, St. Thomas and Hamilton.		
Real Estate held for Sale		
Farm properties	$135,548 50	
City properties	286,762 35	422,310 85
Mortgages and Agreements for Sale Principal and interest due and accrued		36,365,989 32
Loans on Stocks and Bonds		Nil
Securities — Including Accrued Interest		
Bonds of Dominion of Canada and Provinces of Canada		1,401,831 00
Bonds guaranteed by Dominion of Canada and the Provinces of Canada		869,425 00
Debentures of Canadian Municipalities, School Districts and Rural Telephone Companies in Canada		1,170,117 00
Other bonds		41,104 00
The unrealized assets of The Peoples Loan and Savings Corporation are held under an agreement, approved by the Lieutenant-Governor-in-Council, as security for liabilities of		1,012,988 68
Canada Trust Company Stock (Value on basis of reserve—$1,806,340.00)		1,561,780 00
Cash in Offices and in Chartered Banks		1,016,171 86
		$45,949,270 70

Liabilities		
To the Public—		
Canadian Debentures	$27,375,550 02	
Sterling Debentures	1,795,045 60	
Sterling Debenture Stock (4% Perpetual)	215,646 84	
Debenture Interest Accrued	410,423 44	
Deposits	8,958,935 25	$38,755,601 15
To the Shareholders—		
Capital Stock Subscribed $9,000,000.00		
Fully Paid	$ 4,000,000 00	
Partly Paid	1,000,000 00	
	$ 5,000,000 00	
Reserve Fund	2,000,000 00	
Dividend declared payable 2nd January, 1934	75,000 00	
Profit and Loss Balance carried forward	118,669 55	7,193,669 55
		$45,949,270 70

The Huron & Erie MORTGAGE CORPORATION
Branches in 5 Provinces
London (4) Toronto Hamilton Windsor Chatham St. Thomas Winnipeg Regina Edmonton Vancouver Victoria

Ready For Delivery February 5th

THE FINANCIAL POST
BUSINESS YEAR BOOK
NEW 1934 EDITION
Full of Facts, Data and Information about Canadian Business Activities

The Financial Post BUSINESS YEAR BOOK, new 1934 edition, is of particular interest and value to business men who want FACTS and not guesses when searching for new markets for their goods; and for accurate and up-to-date economic data about Canadian business activities.

TABLE OF CONTENTS

	Pages
Economic Review and Market Survey, 1933	23-32
Market Data by Economic Areas	26
Analysis of Canadian Farm Statistics	32
Market Data for Leading Canadian Cities	33-47
Key Facts on 84 Cities	33
Chief Industries of Leading Cities	42
Retail Outlets in Chief Cities	44
Cost of Power in Chief Cities	46
New Industries and Branch Plants in Canada	47-49
New Industries in Canada, 1933	47
Branch Plant Investment in Canada	48
Why Branch Plants Locate in Canada	48
Capital Movements in 1933	49-55
New Capital Issues, 1933	49
British and Foreign Investment in Canada, Jan. 1, 1934	51
Ownership of Capital in Canada	53
Canadian Investments Abroad, 1933	53
Canada's Balance of International Payments	55
Wages, Wage-Earners and Occupations	56-60
Chief Occupations and Earnings of Wage-Earners	57
Occupations of Gainfully Employed	58
Employment in Canada	59
Retail and Wholesale Trade	61-62
Building and Construction	63-64
Manufacturing in Canada	65-87
Leading Industries	66
Manufacturing by Provinces	67
Iron and Steel Industries	68
Non-Metallic Mineral Industries	71
Chemical Industries	72
Non-Ferrous Metal Industries	74
Animal Products Industries	75
Wood, Wood Products and Paper Industries	77
Vegetable Products Industries	80
Textile Industries	85
Empire and Foreign Trade	88-96
Leading Exports and Imports of Canada	90
Empire Trade	91
Foreign Trade	94
Agriculture	97-104
Agriculture Revenue and Wealth	97
Consumption of Field and Animal Products	98
Yield and Value of Field Crops	99
Wheat Situation	100
Fruit Growing	101
Dairying	102
Livestock	103
Floriculture	104
Newfoundland	109
Report of Amulree Royal Commission	109
Fisheries	110
Trade	111
Mining	113
Fiscal Position	114
Labrador	116
Prices and Price Indices	117-120
Retail Prices	117
Security Prices	118
Wholesale Prices	119
Fisheries	121
Public and Corporation Finance and Taxation	123-131
Dominion Balance Sheet	123
Corporation Dividend Record	124
Corporation Taxation	125
Succession Duties	128
Capital Obligations Maturing, 1934	129
Revenue and Expenditures of Provinces	130
Bonded Indebtedness of Municipalities	131
Canadian Bond Sales, 1928-1932	131
Transportation and Communication	133-140
Steam Railway Statistics	133
Electric Railways	135
Telephone Statistics	137
Shipping	138
Canal Traffic	138
Highway and Motor Vehicle Statistics	139
Carloadings	140
Mining in Canada	141-146
Insurance	147-160
Life Insurance	147
Fraternal Insurance	150
Fire Insurance	151
Casualty Insurance	158
Automobile Insurance	160
Banking, Trust & Loan, Foreign Exchange	161-167
Proposed Central Bank	161
Analysis of Chartered Bank Returns	163
Trust and Loan Companies	165
Foreign Exchange in Canada	167
Hydro-Electric Power in Canada	168
Immigration	171
Population	171
Tourist Trade	171
Volume of Business in Canada and U. S. A.	172
Canadian Business Indicators	173-176

Special Features, 1934

Canada's Purchasing Power Analyzed for 1933-34	25
Business Year Book Market Data for 84 Cities	33
New Industries and Branch Plants, 1933	47
Capital Movement in 1933-34	49
Wages, Wage-Earners and Occupations of Canadians	56
Tariff Versus Non-Tariff Insurance Experience	153
Canadian Business Indicators (month by month), 1927-33	173

Price $2 a copy. Send in Your Order Now

THE FINANCIAL POST,
481 University Avenue,
Toronto 2, Canada

Please send me postpaid a copy of The Financial Post BUSINESS YEAR BOOK, 1934. Enclosed is my $2 in payment.

Name ....

Address 431

At the commencement of 1934 the Directors and Officials of The Dominion Bank are in a more hopeful spirit than at any time during the past four years. —*C. A. Bogert, President*

The Sixty-third Annual Meeting of Shareholders Largely Attended

THE DOMINION BANK

Earnings Well Maintained — Ratio of Assets to Public Liabilities Very High

Mr. C. A. Bogert, President; Mr. C. H. Carlisle, Vice-President, and Mr. Dudley Dawson, General Manager, address Meeting.

The Annual Meeting was largely attended, Mr. C. A. Bogert, the President, in the chair.

Mr. Dudley Dawson, General Manager, addressed the Meeting.

The Secretary of the Meeting has just read to you a statement showing the amount of the Bank's profits and the disposition made of them. After paying the dividend, making the usual contribution to the Officers' Pension Fund, providing for taxes and writing $50,000 off Bank Premises, the Profit and Loss Account was increased by $124,570.66 and now stands at $435,343.85. The Shareholders will be pleased to hear that the profits showed a substantial gain during the last half of the year.

Referring to the Statement of Assets and Liabilities, which you have before you—Notes of the Bank in Circulation were $6,261,243, an expansion of $429,013, reflecting more activity in general business.

Deposits Well Maintained

Deposits Not Bearing Interest, $18,104,156. Deposits Bearing Interest, $77,467,474, or total deposits of $95,571,630, compare with a total of $96,060,646 a year ago, a decrease of only $489,016, which we consider a favorable showing. Two conflicting forces affect deposits at present—on one hand, the urge to save and, on the other, the necessity to spend, particularly by those out of work, but the number of accounts on the Bank's books has also been very well maintained. During the past few years it has not been possible to refund bonds maturing in the United States—consequently, it has been necessary to look to our own people for the funds to provide for these obligations. This is, of course, another constant drain upon the deposits of the country, which will probably continue for a time.

Advances under the Finance Act, $1,500,000 — the same amount as was owing a year ago—represent our share of the $35,000,000 two-year special loan made by the Banks to the Dominion Government in November, 1932.

Letters of Credit Outstanding were $1,661,643, an increase of $411,250, due to higher prices of certain commodities imported by the Bank's customers, and larger importations by them—another encouraging indication.

Strong Liquid Position

At the end of the year, the Bank had cash assets of $16,426,864, equivalent to 15.66% of the liabilities to the public, and the readily realizable assets, including Government, Municipal and other Bonds, and Call and Short Loans, amounted to $58,557,698 or 55.82% of public liabilities, as against 57.58% in 1932.

The Bank's total investments were approximately $33,700,000, compared with $30,000,000 a year ago. Additions to the portfolio are wholly represented by further purchases of Dominion and Provincial Bonds and a selection of the best Municipals. These securities are entered in the Statement at prices below those which prevailed on the 31st December, 1933—incidentally, they are considerably higher at this date.

Call and Short Loans in Canada, $7,107,790, compared with $8,023,517 on the 31st December, 1932, decreased $915,727. Against these loans are held readily marketable stocks and bonds with adequate margin. Call and Short Loans Elsewhere than in Canada, $958,004, show an unimportant decrease of $37,891. These loans represent advances made in New York and London, Eng., against first-class securities.

Current Loans Higher

Other Current Loans and Discounts in Canada were $54,091,417. The highest point of the Bank's loans in this category, $76,900,000, was reached in 1929, and the present figure illustrates the extent of the steady liquidation that occurred during the years of depression. The downward trend has been arrested and commercial loans have for some months been on the increase, which we consider one of the striking features of the Statement.

Prices for farm products, while better than they were, are still most unsatisfactory, and as a consequence of this, many agricultural loans—particularly in Western Canada—will have to be carried over; fortunately, however, the total is not large in our case.

Other Current Loans and Discounts Elsewhere than in Canada, $290,991, compared with $834,004 a year ago, represent temporary self-liquidating transactions in London and New York.

Non-Current Loans, $391,148, are practically the same as a year ago, when they stood at $398,326, and any possible depreciation in these assets is fully provided for—the total is comparatively unimportant, being less than 1-3 of 1 per cent. of the Bank's total assets.

Bank Premises Account, $5,930,000. Buildings and offices are at all times kept in good repair, and the necessary funds to do this are, quite properly, charged to operating expenses. No expenditures were made for land or new buildings, nor is there likely to be this year. Notwithstanding this, it was thought advisable to write $50,000 off Bank Premises Account.

Real Estate other than Bank Premises, and Mortgages on Real Estate Sold, amount to only $97,373.

Shareholders Increase in Numbers

It is very gratifying to be able to report that the number of Shareholders is steadily increasing. The Bank now has 2,268 Shareholders, the largest we have ever had; of these, about 85 per cent. reside in Canada. For the convenience of our Shareholders living in Great Britain and Northern Ireland, we have recently opened a Transfer Office at our London Branch, and the shares may now be bought and sold on the London Stock Exchange.

As the Chairman will deal with various aspects of present-day conditions, there is no occasion for me to touch upon them. The Balance Sheet, in your hands, shows you that The Dominion Bank is in a sound and healthy condition, with ample resources and fully prepared to take part in the expansion in business, which we confidently feel is now under way.

In my opinion, the most valuable asset a Bank, or any other organization, can have is its Staff, and I wish to speak of the Staff of The Dominion Bank. They have carried out their respective duties, under difficult conditions, in a loyal, efficient and effective manner.

The address of the President, Mr. C. A. Bogert.

Before commencing the proceedings of the Meeting, it is appropriate to make regretful reference to the loss the Bank sustained during last year through the death of two members of the Board, as already mentioned in the Report. Mr. Wilmot L. Matthews had been a Director since June, 1919, and Mr. C. O. Stillman was elected in November, 1928. Both of these gentlemen gave continuous, conscientious and able service to the Shareholders and they will be greatly missed. Mr. Arnold C. Matthews, who has had very wide and valuable business experience, was chosen to fill the place formerly occupied by his brother. Their distinguished father, the late W. D. Matthews, was a Director for thirty-seven years and Vice-President from 1901 to 1919.

I am sorry that Mr. A. W. Austin, Chairman of the Board, is still confined to his house through illness, and is unable to be present today. He has asked me to express his regret at his absence.

The General Manager has clearly and concisely commented on the Annual Report, and I have little to add to his remarks. Your Directors are well satisfied with the results obtained during a time when many problems had to be dealt with and important decisions reached. Earnings were better than anticipated during the earlier part of the year, and were more than ample to provide for dividends and the usual appropriations. They consider that all other aspects of the Statement are of a favourable character.

The Canadian Picture Brighter

Speaking in this room a year ago, I ventured the opinion that little or no progress from the depths of the depression had up to that time been made and no really constructive programme was under way. Today, as you all know, the Canadian picture is brighter, particularly in the Central and Eastern Provinces. An upturn in business has taken place, slight perhaps, but plainly discernible from many angles.

Dealing with the primary industries—lumbering is conspicuously better, partly because of the rise in Sterling exchange, which has reopened the export market, particularly to the Far East and Great Britain, although the situation in regard to Canada's participation in the British market needs clarifying notwithstanding the agreement at the Ottawa Conference.

The consumption of newsprint is also looking up, reflecting improved business and more advertising in both the United States and Canada. Incidentally, recent experiments with young pine for newsprint in some of the Southern States appear to have been partially successful, and the possibility of a coming rival should not be overlooked.

Gold Our Very Best Asset

Mining is once more moderately prosperous; demand for the base metals exceeds current production and stocks on hand are reducing somewhat. Gold remains, of course, Canada's very best asset; true, the output last year yielded slightly less, measured in ounces, than in 1932, but the world price being nearly 70 per cent higher, not only adds proportionately to the value, but enables the industry to work low-grade ore and thus prolong the life of the mines. A year ago, New York exchange in Canada was ruling at a high premium and the Dominion Government in buying gold paid the mines the standard price of $20.67 per ounce, plus the premium, which latter, indirectly, came out of the pockets of the Canadian people. Today the position is altered. The premium on exchange no longer exists but the United States Government is paying over $34 per ounce for the metal which compensates our mines several times over for the vanished exchange premium while the Canadian Government obtains New York remittances to meet obligations at small, if any, cost.

An Accelerated Movement

Canadian fisheries showed better returns in 1933, the upward trend of exports during the last half of the year being especially noticeable. Fishing is Canada's oldest industry and it is pleasing to see those who follow it share in the general improvement.

I shall speak of agriculture, the other basic industry, in a moment or two.

Without burdening you with figures, such dependable indices as railway car-loadings, bank clearings, power consumption, etc., show a definitely accelerated movement; manufacturers in all lines have increased their output, including the heavy iron and steel trade, which is always about the last to move. The automobile industry had a much better year.

In the last month or two there has been even a little revival in building construction, but as there is already a large surplus of office space and business premises from one end of Canada to the other, we can expect no great activity in this particular field immediately.

Greater Consumption Evident

Wholesalers report better trade and there is undoubtedly more disposition to buy on the part of the public, incidentally stimulated by the early set-in of winter. Prices of nearly all commodities are higher and steadier at the new levels, partly, it must be conceded, a reflection of inflationary tendencies elsewhere, but not entirely so; greater actual consumption is in evidence; good headway has been made in providing work for the unemployed; a great deal of waste in business administration has been eliminated and the total insolvencies for the past year show a fair reduction from 1932. Confidence is returning; even the amusement business and winter travel are on the upgrade, and, generally, it is felt that a base is crystallizing from which a fresh start can be made.

Progress May Be Slow

While the slight improvement is general and gratifying, bear in mind that it as yet is only slight, and I have not altered my personal view that progress in a large way may be slow. Economic forces are relentless in their purposes, but indifferent to time, and while complete recovery must ultimately come, we should have patience and not close our eyes to facts. Little has actually been done toward solving some of the greatest problems, among them excessive and still-growing public debt, burdensome taxation, the railway question and the world-wide over-production of grain.

Government in Canada Costly

The Dominion Government debt, including guarantees, has increased by at least $250,000,000; obligations of the Provinces about $70,000,000; and were it not for the fact that many municipalities have entirely lost their credit standing (some of them indeed are in default and are being administered by Boards of Supervisors) the total debts would doubtless be much higher. The overwhelming annual cost of necessary relief throughout the country accounts for the main addition to the debts, but quite apart from public relief, budgets, with few commendable exceptions, are not being balanced and increasingly large totals of taxes remain unpaid, showing that the limit has been reached, if not exceeded. This being so, the only remaining way to balance budgets is to cut expenses, all resistance notwithstanding. Private employers have done so—why not public bodies? Everybody knows that government in this country is absurdly costly. Starting at Ottawa, and right through the nine provinces, the large cities, the municipalities, counties, townships and school districts, the elaborate machinery of administration could, and should be, cut like that of any business.

Amalgamate Management of Railways

The larger features of the railway enigma have yet to be dealt with, although the Duff Report has been before the people for a whole year. In the meantime another serious deficit has been added to the public debt and a further one for 1933 must be so treated. Can nothing be done about this? The personnel and ability of the recently appointed triumvirate of trustees commands respect, but their task is a most difficult one. Why does the country not boldly face the issue and work out a scheme of amalgamated management of the two roads? What is there to fear from monopoly? Surely there are enough intelligent men connected with both railways to prevent exploitation of freight and passenger rates, and in any case, we have a Railway Board to deal with such matters. I submit that monopoly is preferable to possible default, and the sooner we get on with amalgamation the better.

Annual Carry-over of Wheat

In the Eastern Provinces agriculture participates somewhat in the improvement. Higher prices prevail for some products, the benefit of which is generally felt, but the continued small export demand, at low prices, for wheat is disquieting and falls heavily on the Western people. The annual carryover has increased year by year until, paradoxically, a small crop, evenly distributed, is preferable to a large one, and we are turning to a policy of acreage reduction to bring relief. The fact is, as we have pointed out on other occasions, European countries are bent on becoming self-supporting, a lesson resulting from war privation, and this is the real crux of the situation. To win them back as customers will take time, patience and reciprocity, but although agriculture is depressed, the case is not by any means hopeless.

Agreement on Wheat Exports

Nature has an uncanny way of adjusting these matters, and always in the past when such grain surpluses have appeared some sudden change in World conditions has eventually wiped them out; we should not doubt that this will happen again.

The Prime Minister has given personal attention to the grain situation, and last year effected an international agreement on wheat exports which many think should benefit Canada; the Wheat Advisory Commission then set up met in Paris this month seeking ways to increase consumption, which is a move in the right direction.

Central Bank's Composition

I come now to a subject about which there is great public interest but small understanding, despite all that has been said concerning it; the question of a Central Bank, which will be taken up early in the current session of Parliament, is one of the most important matters ever likely to come before our legislators, and they will assuredly do well to study very carefully every clause in any Bill that might tend to disrupt the present banking system. Even among the best informed advocates of a Central Bank there is no unanimity respecting its composition—for instance, the significance of the proposal to abolish the circulation privilege of the Chartered Banks is apparently not fully grasped even yet.

Circulation a Vital Element

Is the size of this country, in square miles, fully realized and are the needs of the thinly spread population in this huge area not to be considered? For many years the branch bank has been established on the very frontier of settlements, sometimes in advance of the railway, and nearly always in response to public petition. Conceding that far outlying communities must continue to have complete banking service, how are they to get it in the future if the circulation—the vital element in the operation of such branches—is taken away and the Banks obliged to withdraw?

Supplement Present Facilities

If our people decide that they will have a Central Bank, one will be created, but first, let us be certain of the kind they want and lose no time in establishing it because the present uncertainty about this, and the coming revision of the Bank Act, is unsettling and retards recovery.

It can be assumed, however, that the public desire a continuance of the good banking service to which they are accustomed, with as little interference as possible, and the Chartered Banks, who have been faithful friends of agriculture and business for so many years, will gladly co-operate in the formation of any institution designed to supplement or improve facilities now existing.

Satisfactory Balance of Trade

Canada had the very substantial balance of trade for the calendar year 1933 of $141,000,000, as compared to $49,000,000 in 1932—a highly satisfactory showing, which it is essential to maintain. The burden of interest on foreign held Canadian obligations while less than a year ago—largely because of the repatriation of a considerable portion of the total—has still to be borne and the offsetting item of tourist traffic upon which we are accustomed to depend may be smaller in future, due to a recent important change in sentiment by our neighbors.

The growth of Imperial trade since the Ottawa conference is both striking and gratifying. 47% of Canada's total exports and 30% of the imports were within the Empire in 1933, as compared to 38% and 25% for the previous year. Exports to Great Britain alone increased from 30% to 39% and imports from 18% to 21%.

"Imperialism" a Practical Idea

It is very disappointing that so little of international value was accomplished at the London Economic Conference, owing chiefly to disagreement as to currency policy. From the Imperial standpoint, however, there was undoubted result in the advancement of the objects so happily inaugurated at Ottawa. Gatherings of this kind bring home to us that modern Imperialism is not only a live, but a practical ideal among those of British race the world over. Such impressive events as that of Christmas Day, when all parts of the Empire were linked by wireless to receive His Majesty's gracious message and exchange greetings, furthers unity as nothing else could.

The year 1933 was marked by continued unrest in many countries, including resignations from the League of Nations, a breakdown of disarmament discussion, renewal of naval building and a session of tiresome sabre-rattling, all of which serve to put off just that much farther the creation of confidence without which trade cannot hope to thrive.

Economic Theorists

Probably more has been said and printed on economic subjects in the past two years than at any time in history. The theorist is certainly having his innings and the professor instead of the business man, has gained the ear of some Governments. The man in the street is his own economist nowadays and such terms as "currency inflation" and "gold standards" are in daily household use. The most positive opinions regarding economic matters are sometimes offered by those with no more actual knowledge of such subjects than the office-boy, which at least shows that people everywhere are earnestly concerned with the great question of how to restore a fair prosperity and a decent standard of living for all.

Universal Compromise With Debts

They would willing follow sound commonsense guidance and accept any reasonable sacrifice that is shared by everybody, not merely by the few. Out of the welter of current controversy will one day emerge—and perhaps sooner than many think — some great decision that will supply the world with that eagerly awaited leadership. All the present signs seem to point toward an ultimate international agreement upon a new gold standard for all countries, probably 40 per cent or 45 per cent below that now prevailing. Some would call this repudiation, even if universally accepted, but under whatever name, some universal compromise with debt seems inevitable, and this is the least painful method.

Canada Made Progress in 1933

Business can only improve definitely and finally when the worst is known, when all doubts about inflation are ended and stable money is once more a fact. Canada, however, can do little more than remain an onlooker; the initiative will probably come from Washington or London, or both acting jointly, and this country's problems in the gold and currency field may find solution at the same time.

Canada has good reason to be satisfied with the progress made in 1933, and can await developments with a measure of increased confidence.

At the commencement of 1934 the Directors and Officials of The Dominion Bank are in a more hopeful spirit than at any time during the past four years.

I now beg to Move the adoption of the Report.

Mr. C. H. Carlisle, Vice-President of the Bank, in seconding the adoption of the Report, referred at length to the personnel of the Directorate and Executive of the Bank.

Some days ago, each Shareholder was mailed a copy of your Annual Statement. You have had time to study this Statement. You have just listened to the comments made by your General Manager and I take it you are in agreement that your Bank is in a healthy and strong condition and that the year's earnings are quite satisfactory. Those of you who have studied the Bank's Reports from year to year, cannot help but be impressed by their accuracy and frankness.

Besides the strong financial position of a Bank or business there is another important factor and that is, its personnel. After all, the standing of a large institution depends very greatly on the integrity of those who supervise its affairs.

The Directorate

All your Directors have been outstandingly successful in their different industries and undertakings. A number of them have an extensive experience in international trading, and are favourably known throughout the Dominion, and other countries. They have personally, and also through the industries which they manage, been strong supporters of the Bank. It is to the officials and the members of your Board that you are entrusting your investments.

The ability of the Officials of the Bank—the standing and experience of your Board of Directors, with the amount of effort and time given to the affairs of the institution, should certainly merit the confidence of the Shareholders and the public.

THE DOMINION BANK ESTABLISHED 1871

THE DOMINION BANK

Sixty-third Annual Statement

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st December, 1932		$ 310,773 19
The Net Profits for the year ended 30th December, 1933, amounted to		1,139,202 08
		$1,449,975 27
Which amount has been disposed of as follows:		
Dividends (quarterly) at Ten per cent. per annum	$ 700,000 00	
Contribution to Officers' Pension Fund	50,000 00	
Dominion and Provincial Government Taxation	214,631 42	
Written off Bank Premises	50,000 00	
		$1,014,631 42
Balance of Profit and Loss Account carried forward		435,343 85
		$1,449,975 27

GENERAL STATEMENT

30th December, 1933

LIABILITIES

Capital Stock paid up			$ 7,000,000 00
Reserve Fund		$ 7,000,000 00	
Balance of Profit and Loss Account carried forward		435,343 85	
Dividend No. 205, payable 2nd January, 1934		175,000 00	
Former Dividends unclaimed		573 58	
			7,610,917 43
Total Liabilities to the Shareholders			$14,610,917 43
Notes of the Bank in Circulation		$ 6,261,243 00	
Deposits not bearing interest	$18,104,156 78		
Deposits bearing interest, including interest accrued to date	77,467,474 19		
		95,571,630 97	
Advances under the Finance Act		1,500,000 00	
Balances due to other Banks in Canada		570,677 78	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		709,725 30	
Liabilities not included in the foregoing		286,708 42	
			104,899,985 47
Letters of Credit Outstanding			1,661,643 16
			$121,172,546 06

ASSETS

Gold and Silver Coin, current	$ 629,896 90	
Dominion Government Notes	7,623,723 72	
Deposit in the Central Gold Reserves	400,000 00	
Notes of other Banks	628,655 00	
United States and other Foreign Currencies	69,355 30	
Cheques on other Banks	5,218,198 84	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,857,034 87	
	$16,426,864 63	
Dominion and Provincial Government Securities, not exceeding market value	25,618,827 43	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	5,635,605 95	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,506,055 09	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	7,107,790 94	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	958,004 32	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	304,550 00	
		$ 58,557,698 36
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$54,091,417 46	
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	290,991 63	
Non-Current Loans, estimated loss provided for	391,143 64	
Bank Premises, at not more than cost, less amounts written off	5,930,000 00	
Real Estate other than Bank Premises	75,641 02	
Mortgages on Real Estate sold	21,732 12	
Other Assets not included in the foregoing	152,278 67	
		60,953,204 54
Liabilities of Customers under Letters of Credit, as per contra		1,661,643 16
		$121,172,546 06

C. A. BOGERT, *President.* DUDLEY DAWSON, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS

We report to the Shareholders of The Dominion Bank:—

That we have examined the above Balance Sheet as at December 30th, 1933, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, C.A., of Peat, Marwick, Mitchell & Co.
W. D. GLENDINNING, C.A., of Glendinning, Gray & Roberts.

TORONTO, JANUARY 16th, 1934.

COCKSHUTT PLOW OPERATING LOSSES GREW DURING 1933

Sales Slightly More But Inventories and Receivables Still High

MORE PRODUCTS

Consolidated and Subsidiary Statements Given — Final Absorption of Frost & Wood

Shareholders of Cockshutt Plow Co. are receiving this year, in addition to the annual statement of their company, a statement of the Frost & Wood Co., which is now almost a wholly-owned subsidiary, and a consolidated statement of the two companies. All companies show the same trend of earnings and working capital: the loss having been greater than in the preceding year as a result of the various adjustments which most farm machinery companies were obliged to make; and the working capital position being somewhat depleted though still with great apparent strength, depending eventually on the value at which present inventories and accounts receivable are liquidated. Bank loans have not been reduced.

The profit and loss accounts of Cockshutt Plow Co., Frost & Wood Co. and the consolidated companies are respectively as follows:

COCKSHUTT PLOW
Income and Surplus Account
Years Ended Nov. 30

	1933 $	1932 $
Oper. loss†	550,819	292,151
Add:		
Bad debts res.	35,000	*258,795
Adj. of invent. val.	265,000	......
Deficit for year	850,819	550,946
Prev. surplus	107,231	158,177
Trans. fr. gen. res.	500,000	250,000
Trans. fr. merch. res.	265,000	......
Trans. fr. contingent	......	250,000
Balance forward	21,412	107,231

† Before deprec. reserve.
* Includes foreign exchange reserve and bad debts written off.

FROST AND WOOD
Consolidated Income Account

	11 Mos. Ended Nov. 30, 1933 $	12 Mos. Dec. 31, 1932 $
Oper. loss†	104,018	146,462
Add:		
Prov. for bad debts	47,430	12,500
Deficit	151,448	158,962
Prev. surplus	181,876	340,839
Balance forward	30,428	181,877

† After making provision for depreciation.

COCKSHUTT PLOW
Consolidated Income and Surplus Account
Year Ended

	Nov. 30, 1933 $
Operating loss†	569,732
Add:	
Bad debts res.	35,000
Adj. invent. values	265,000
Deficit	869,732
Prev. surplus	107,231
Trans. fr. gen. res.	500,000
Trans. fr. mech. res.	265,000
Balance forward	2,499

† Before depreciation, including proportion of loss of the subsidiary companies attributable to the period of ownership (two months) by Cockshutt Plow Co.

It will be noted that in the above table no provision is made for further addition to depreciation reserve of fixed assets. There is an adjustment of inventory values and an addition to bad debts reserve, which are naturally the two main problems of the company at present as they are of all farm machinery companies.

Acquired Frost & Wood

Colonel H. Cockshutt, president, in the report of directors to the shareholders, states that the company now holds practically all the shares of the Frost & Wood Company, a desirable situation, as Cockshutt Plow has been closely associated with Frost & Wood Co., and a large holder of its stock, since 1909. During 1933, negotiations were entered into with the other shareholders of The Frost & Wood Co., to exchange their holdings of common shares of that company for common shares of Cockshutt Plow Company on the basis of two Frost & Wood shares for one Cockshutt share. Under this arrangement Cockshutt Plow acquired practically all of the issued shares of the Frost & Wood Company, whose plant and general offices are located at Smiths Falls, where the business was founded 95 years ago. It is stated that J. E. Ruby, vice-president and general manager of the Frost and Wood Co., Ltd., has been appointed assistant to the president of Cockshutt Plow Co.

Export Trade Improves

Sales showed a slight improvement in 1933 over 1932 but results could not be improved on account of the extremely difficult conditions under which the company operated. The export trade, however, while far below normal, has shown a marked improvement.

Working capital of Cockshutt Plow, of Frost & Wood Company and of the consolidated companies was down considerably in each case but current assets still showed a high ratio to current liabilities.

Cockshutt Plow
Working Capital

	1933 $	1932 $
Current assets	5,638,826	6,648,295
Current liabilities	1,536,971	1,649,792
Working capital	4,101,855	4,998,503
Ratio	3.65—1	4.03—1

Frost & Wood
Working Capital

	1933 $	1932 $
Current assets	861,427	1,106,320
Current liabilities	263,364	358,093
Working capital	598,063	748,227
Ratio	3.27—1	3.08—1

Cockshutt Plow and Frost & Wood
Consolidated Working Capital

	1933 $
Current assets	6,392,056
Current liabilities	1,692,138
Working capital	4,699,918
Ratio	3.77—1

On November 30, 1932, replacement values of inventories at Brantford were shown at $1,029,750 and its branches $2,014,871. On November 30, 1933, inventories were reduced to $2,336,962 and in the consolidated statement they are shown at $2,752,614.

Accounts and notes receivable, less reserve, dropped during the year from $3,573,745 to $3,279,336 although with the addition of the Frost & Wood situation the total of accounts and notes receivable less reserve as shown in the consolidated statement was $3,610,905. Cash in bank for the two companies was $28,538.

Bank Loans Are $1,567,000

Current liabilities of Cockshutt Plow include a secured bank loan of $1,325,000 which in the consolidated statement is shown at $1,567,000. There is apparently little change here during the year.

The accounts payable are slightly over $195,000. Both the simple statement and the consolidated statement of Cockshutt Plow Company show reserves have dropped from $2,000,000 to $1,235,000. The general reserve dropped from $1,250,000 to $600,000. The contingency reserve remained at $250,000 and the merchandise reserve dropped from $500,000 to $385,000.

SECOND SECTION

THE FINANCIAL POST

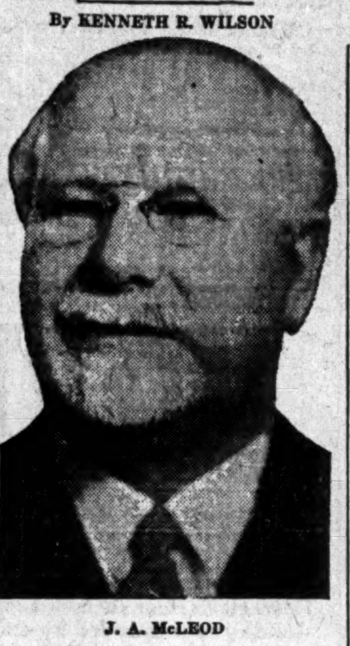
SECOND SECTION

Vol. XXVIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, FEBRUARY 3, 1934 | 10c a Copy; $5.00 a Year | No. 5

P. E. Island Farmer's Lad Rises to Bank Presidency

John Andrew McLeod Started as Junior Clerk 47 Years Ago—Is First "Banker" President for B. of N. S.

By KENNETH R. WILSON


J. A. McLEOD

At the second meeting in their second century, shareholders of the second oldest bank in Canada gathered last week at Halifax to acclaim a new president.

With pride they learned that the new incumbent was a Maritimer—born and bred on the rich, brick-red soil of a Prince Edward Island farm. They learned too that something new had happened in the institution's history and that the bank could now boast a chief executive who had spent his entire lifetime in its service.

For John Andrew McLeod—although he has had 11 predecessors in office—is the first president of the Bank of Nova Scotia to have risen from the ranks. Starting as a 19-year-old clerk in picturesque Summerside he has climbed the banking ladder rung by rung and achieved a goal which, though it may once have been a cherished hope, has now become but a well-deserved promotion.

Horatio Alger Career

Few better examples of the even-handed rewards of the Canadian banking system can be found than in the career of this farm boy who started as a clerk in a drowsy little branch in the island province and now heads the fourth ranking bank (in point of assets) in the Dominion. Horatio Alger would have found much to delight his heart in this story of a steady achievement; this conquering of obstacles; this pressing on toward a goal which marks the career of J. A. McLeod.

The bank's "appointment card" tells the story. It records that at the age of 19 he entered the service of the bank as junior clerk at Summerside. The date is February 1, 1887—just 47 years ago this week. Apprenticeship lasted six years and in April, 1893, came the first important move—accountant at New Glasgow. By the end of the year ability and hard work were again rewarded, this time with a move to head office (Halifax) as cashier's clerk. A year later opportunity knocked loudly for in that year (1894) the entire commercial and financial structure of Newfoundland collapsed and aid was immediately sought from the sounder banking institutions of the Dominion of Canada. The story is briefly told in the centennial history of the bank published a year ago:

"Another important field to which the bank turned its attention was Newfoundland. On Monday, Dec. 10, 1894, the two native banks which alone served the colony, collapsed. Panic seized the commercial life of the community. Representatives of three Canadian banks were dispatched to the island to do the best they could toward providing banking facilities. The first to arrive were Daniel Waters and J. A. McLeod of the Bank of Nova Scotia. They reached St. John's on Sunday the sixteenth and five days later opened for business. Three weeks later the Bank of Montreal opened its doors while the third bank, the Merchants Bank of Halifax (now the Royal Bank of Canada) decided against the undertaking; later, however, deciding in favor of the project.

"Thus, two important events may be chronicled; namely, the inauguration of a sturdy new branch to the bank's rapidly growing tree, and the first important appointment for J. A. McLeod, now general manager of the bank."

Agent at Harbor Grace

After three months at the bank's new branch at St. John's, Accountant McLeod was allowed to try his banking wings among the people of Harbor Grace and his appointment as "agent" for that town was made in February, 1895. Incidentally it was here he developed a fondness for sailing for he found this about the only occupation to absorb his spare time. There were no transatlantic flights in those days to entertain the inhabitants. The next move—assistant manager at Chicago—was momentous for one who had scarcely moved beyond the Atlantic seaboard, but valuable experience there enabled him soon to return as full-fledged manager to St. John's, Newfoundland.

After that the upward march was sure and steady. The bank's branches at Boston, Havana and Chicago improved under his capable guidance until in 1913 he returned to head office (by this time moved to Toronto) as superintendent of western branches. Two years later he was appointed chief superintendent of branches; then assistant general manager; then general manager in June, 1923, and now at the age of 66—president.

Fundamentals of Banking

This week I asked this seasoned banker regarding reasons for the phenomenal success of the Bank of Nova Scotia in the highly competitive field of Canadian banking. (For its growth in financial power has closely paralleled his own career). He affirmed that success in banking was due entirely to one thing: namely adherence to the fundamental principles of banking.

"What are these principles?" I asked.

"Perhaps there are three, and in this order," he said.

"First, safeguarding your depositors' money; second, safeguarding shareholders' money; third, lending your money only for legitimate purposes."

"Then what is the difference between good and bad banking," I said.

He replied: "Largely the degree to which a bank adheres to these fundamentals."

Headed Bankers' Association

Perhaps this sound doctrine in respect to bank practice is responsible for the fact that it will be no new thing for Mr. McLeod to be called "president." For the past two years he has been president of the Canadian Bankers' Association—highest office in the gift of the Canadian banking fraternity. He relinquished the reins of office only a few weeks ago to Jackson Dodds, of the Bank of Montreal, after piloting his fellow bankers through the most important event in modern Canadian banking—the deliberations and report of the Macmillan Committee on Banking and Currency.

To these deliberations he brought the same zeal and thoroughness which have marked his career with the bank. Typical is the fact that despite an impairment in his eyesight he considered it a personal duty to read each day, every word of the evidence taken before the Commission. In all there were 22 volumes of evidence covering some 3,490 typewritten pages and approximating 800,000 words.

Can't Keep Eye on the Ball

The problem of his eyesight has still another aspect. For J. A. McLeod dearly loves a game of golf. It is the form of exercise in which he takes the greatest delight and (as in banking) he achieves a fine measure of success despite his physical handicap. The only real drawback is that he can no longer follow the hackneyed advice about keeping one's eye on the ball, for if he does this his left eye will play tricks on him and he will invariably "top." He must always take his stance so as to address the ball just behind and below what would appear to be the correct position.

Delegates Responsibility

In leaving his post of general manager of the Bank of Nova Scotia, Mr. McLeod feels he is taking the only proper course in making room for his younger men. Fortunately there are plenty of these who are capable of stepping into positions of greater authority, for one of the fundamentals which has governed his general managership has been a belief that the function of a chief executive is to delegate and encourage the taking of responsibility among his associates. Instead of encumbering the office of general manager with a large amount of unnecessary detail he has kept himself free to plan the larger policies of the bank by encouraging his senior men to take as much responsibility as possible. The wisdom of such a policy will readily be seen, it is said, in the ease with which his promotion to the presidency will be absorbed throughout the organization.

Fine Esprit de Corps

Another tribute to the work he has accomplished in the past ten years is his achievement in building a fine esprit de corps among the bank's 3,000 employees—especially as between the far-flung branches of the bank, and head office. When he succeeded to the office of general manager in 1923, the bank had increased its power and prestige very rapidly by the absorption of two important institutions, the Bank of Ottawa and the Metropolitan Bank. These two acquisitions had added to a problem already made difficult by reason of the wide extent of the bank's influence. Suffice to say that in spite of its very conservative traditions the bank under J. A. McLeod has become a well-knit, smooth-working machine—very efficient, and very well suited to the tempo of modern business—but withal very human.

Now that he has passed the burden of responsibility to the capable shoulders of H. F. Patterson, former assistant general manager of the bank, Mr. McLeod is naturally looking forward to a little more leisure. What will he do with it?

Takes Holidays in Winter

For one thing he will follow a personal habit of long-standing and take his customary winter holiday in Augusta. For years he has taken his holidays in the winter for he thinks Toronto is in itself quite good enough for a summer resort with lots of golf, fresh air and sunshine readily available. He believes anyone who lives there and who can conveniently arrange it, should take his holidays in the winter when he needs them most and when they will do him the most good.

Then, too, it will give him more time for personal contacts with his fellow-Canadians. For, in spite of a more than busy life, he has cultivated a wide circle of friends in all walks of life, to whom he can turn for information or companionship. It is a source of no little amazement to many of his friends that he has found so much time in the past ten years to make these contacts which have naturally proved invaluable to him as a banker and (indirectly) to the institution which he serves.

For another thing he will be able to enjoy to the full his morning habit of leaving the house a quarter of an hour ahead of his chauffeur and walking a mile or so on his way to the office. This may seem unusual to many of his neighbors and business acquaintances who are in the habit of reversing the process and driving part way to work and walking the rest of the distance. But the same sound reasoning which makes the Bank of Nova Scotia a good place to keep your money, is behind the McLeod plan. For Mr. McLeod contends rightly that the higher air of North Toronto is much healthier than that of downtown Toronto, and therefore it is much healthier to walk the first part of the way, than to take your exercise amid the dust and soot of a busy metropolis.

Perhaps it is this sound, simple point of view in both his private and his business life that makes J. A. McLeod at 66 as vigorous, as keen, as active, as many men ten years his junior. Another reason which will of course be put forward by residents of three out of nine provinces in the Dominion, is that he is a Maritimer.

Be that as it may there is little doubt that under the aegis of her new president this fine old institution, founded 102 years ago in the old Merchants Exchange Coffee House at Halifax, will easily maintain its tradition "toward steady progress consistent only with the soundest principles."

Edwin Crockett Succeeds Chief As Assistant G.M.

E. CROCKETT

Edwin Crockett follows Harry F. Patterson as assistant general manager of the Bank of Nova Scotia just as he followed him as chief superintendent of branches in September, 1923. While Mr. Patterson gained much of his experience in branches in the United States, and Mr. Burns had a long experience in Western Canada, Mr. Crockett's service with the bank has been largely in the general office and in eastern branches.

Born in York, P. E. I., he makes the executive of the bank thoroughly representative of the Maritime provinces since H. F. Patterson was born in New Brunswick and H. D. Burns was born in Nova Scotia. Mr. Crockett entered the bank as a junior at Charlottetown on January 3, 1898, and within six years, on December 11, 1903, he was appointed chief accountant at general office. In the interval he served at general office and at Toronto branch. In December, 1906, he was appointed assistant inspector and became an inspector in July, 1907. From that position to assistant manager at Toronto in 1908 and then back to general office in 1910. He became supervisor of Maritime branches in January, 1913, in which capacity he served for over 10 years until in September, 1923, he became chief superintendent of branches.

New General Manager of Bank of Nova Scotia

Harry F. Patterson, seventh in the line of general managers who have guided the destiny of the Bank of Nova Scotia during its 102 years of operation, had just taken over the reins of office when The Financial Post photographer snapped him in this informal pose.

Chance Determined Career Of New G. M. of Nova Scotia

Harry F. Patterson Is Bank's Seventh General Manager Modesty and Sagacity Are Chief Traits

By WARNER A. HIGGINS

Quietly at work in the modest office that he has occupied for a decade, Harry Frederick Patterson, has assumed the duties and office of general manager of the Bank of Nova Scotia. In its entire history of 102 years the Bank of Nova Scotia has had but seven general managers. Six of these have guided the bank to strength and prestige through prosperity and depression; have established and expanded an institution that has an individuality of its own, reflection of their rugged character and ability. Mr. Patterson, the seventh in this line of chief executives, was appointed on January 24 at the 102nd annual meeting of the bank in Halifax, N.S. His contribution as chief executive of the bank has yet to be made, but through sheer ability, long experience and inherited temperament, his friends and associates believe that he is more than amply qualified to carry on a time-honored tradition.

Has Ability to Say "Yes"

Spare and grey, alert and efficient, Mr. Patterson's appearance belies his 59 years of which 44 have been spent in the service of the bank. As assistant general manager since September 1, 1923, his special province has been credits on which he is shrewd at making decisions. It is sometimes said that one of the characteristics of the successful modern banker is the ability to say "No" gracefully. Mr. Patterson does not lack this attribute. But his "No" is based on reason and he has the ability to make his reason clear. Mr. Patterson has that more rare ability to say "Yes." To that can be attributed much of his progress. Above all he is fair and honest; characteristics that are noted and appreciated by staff and customers alike. Said one customer and former associate when his opinion was asked: "I regard Harry Patterson as one of the finest and soundest bankers in Canada."

No glare of publicity will surround this chief executive if he can possibly avoid it. Some associates term him "shy" and "retiring." If these terms indicate that he lacks the ability and desire to meet people they do Mr. Patterson an injustice. He has the innate modesty of a true gentleman and prefers to listen to others talk rather than talk himself. In his quiet way he is a good "mixer" and is a member of several clubs, Toronto, York, Rosedale Golf, Toronto Golf, Toronto Hunt and Royal Canadian Yacht Clubs.

Tastes Are Catholic

Mr. Patterson regards his life as having been "uneventful." He recalls no episodes or escapades that would enlighten the student of his personality or would be of interest to the public. In this it can be taken for granted that his sense of modesty overcomes his instinct for honesty since no man of his attainments can look back on a life devoid of landmarks. But so well has he applied himself to his banking career and so unobtrusive has he been in his private life that friends and acquaintances can offer no aid in indicating the turning points in his career, his special likes or dislikes. His friends know that he plays golf but have never seen any trophies. They know he is an omnivorous reader without knowing whether he specializes in economics, or history or biography.

The answer is that his tastes are catholic and that he never carries anything to excess. He plays the course of the Rosedale Golf Club regularly in season more for the exercise and the companionship that the game affords than from desire to reduce his handicap from 18. As a result he keeps fit, is never sick and is always on the job at 9.30 a.m. In the winter evenings he spends his time reading but protests that he has no particular taste in books. He reads widely and his home contains many books but he will not dignify his collection by calling it a library. Responsibility and the experience that it entails, has been his best schoolmaster and his class rooms have been the branch offices of the bank.

Chance Determined Career

Mr. Patterson is an original Bank of Nova Scotia man. Born and bred in the maritimes, of Scottish Presbyterian stock, he joined the bank as a junior at the Campbellton, N.B., branch on June 6, 1890, fresh from the Campbellton High School at the age of 15 years. In that year the bank had 30 branches and total assets of $8,925,857 in contrast to 322 branches and assets of $264,914,117 of which Mr. Patterson now takes charge. Campbellton in the 90's was a town of 6,000 population, its business chiefly dependent upon lumbering and fishing. Harry Patterson looked forward to studying medicine until one day the banker told the schoolmaster he needed a bright boy and the teacher recommended young Patterson.

Harry, the new junior, started his banking career in a community he knew well by doing the least important tasks in a branch with eight members on its staff. He pedalled around the town and surrounding country on his new "Red Bird" bicycle making collections, thereby building the foundation for his ability to meet people graciously. He learned the intricacies of bank accounting and later in his first year with the bank kept the central heating system of the branch functioning by loading the open stove with wood.

Initial Progress Slow

Seven years were spent among boyhood surroundings, some years of prosperity, then years that were more lean than others. Profits of the bank fluctuated only moderately however for Thomas Fyshe, cashier of the bank for 21 years, had casually predicted the future in 1876 and had guided the bank with such conservatism and foresight that the periods of depression that he had envisioned at 10-year intervals with such accuracy were met and conquered. Expansion of the bank during the 90's was not rapid and while a branch was opened in Chicago in 1892, J. A. McLeod opened a branch in Newfoundland in 1894, and a branch was opened in Toronto in 1897, the bank was largely restricted in its operations to the maritime provinces.

When Mr. Patterson received his first transfer he took up his duties at Saint John, a metropolis of 30,000 souls. Probably he was more excited at this move from a comparatively simple town to a big city than he has ever been since. He apparently lost his awe of the big city within a short time and justified the belief of his superiors in his ability for he stayed only a year and on January 24, 1899, he was transferred to Chicago becoming accountant at that branch late in the same year. There at the hub of the west he had his first real experience with the intricacies of exchange for through Chicago the golden flow of grain from the prairies passed for delivery to foreign markets.

Was Long Agent in New York

From there on his transfers followed in fairly rapid succession. He became accountant at Montreal on June 1, 1901; manager at Newcastle on January 7, 1905. It was while he was at Newcastle that he met Linda Pallen to whom he was married in July, 1906. He was appointed accountant at Chicago on May 15, 1905; assistant manager at Chicago on April 2, 1906, and then returned to Canada as relieving manager at Hamilton, Ont., on October 6, 1910. From there he went to Toronto as assistant manager on July 19, 1911 and then to Ottawa as manager on February 1, 1912. During his period at Ottawa the bank expanded by acquiring the Bank of New Brunswick in 1913, which further strengthened its hold on the banking business of the maritimes.

The outbreak of the war brought added responsibilities for the banks. The New York agency of the Bank of Nova Scotia was an important sector on the business front and to the position of New York agent of the bank Mr. Patterson was transferred on November 28, 1914, two weeks after the bank had acquired the Metropolitan Bank and thereby secured a firm foothold in Ontario and particularly in Toronto. Throughout the war Mr. Patterson served the bank in New York and left there on December 14, 1921, when he was appointed superintendent of branches, attached to the general office of the bank in Toronto.

Principal foreign offices of the banks such as those of the Bank of Nova Scotia in New York, Boston and Chicago, have always been the final testing ground of the all-round ability of bankers who seem destined for higher office. But one example of the many is S. H. Logan, general manager of the Canadian Bank of Commerce, who was senior agent for his bank in New York City immediately prior to being appointed to his present office.

Serves at Head Office

As superintendent of branches, Mr. Patterson served for two years gaining a first-hand acquaintance with all branch activities. In a period of six years the bank had acquired three other banks, the last being the Bank of Ottawa in 1919, and its system of branches extended across the continent. On September 1, 1923, came another promotion to the position of assistant general manager. Then began that series of 11 o'clock meetings of the senior officials of the bank that has since continued and which deals with problems of the day and determines in large degree the policy of the bank. Mr. Patterson's chief field was credits to which he brought an analytical mind experienced in the business of the bank; keen for the penetration of strength or weakness on the part of borrowers; able to make decisions.

With this background, Mr. Patterson assumes his new office but his duties will not be new. J. A. McLeod, newly elected president of the bank and the retiring general manager, has had the foresight and ability to train his senior executives so that they are prepared to take over new duties and responsibilities with a minimum of disturbance to the operation of the bank. The gradual transition that has resulted in Mr. Patterson becoming general manager has been under way since he first attended the 11 o'clock meetings of the executives of the bank that takes place and will continue to take place each morning.

H. D. Burns Has Long Experience With Bank of N.S.

H. D. BURNS

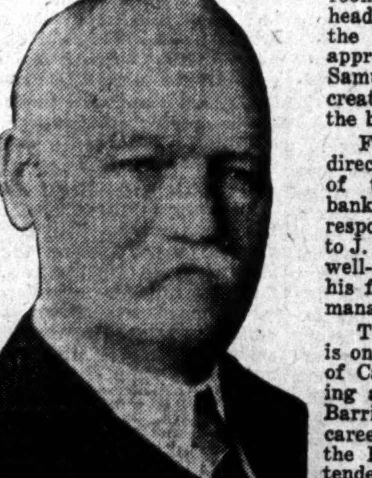
Succeeding H. F. Patterson as senior assistant general manager of the Bank of Nova Scotia is Herbert Deschamps Burns who has been intimately associated with Mr. Patterson for the past ten years for both were made assistant general managers attached to general office in 1923. What Mr. Patterson has done with credits, Mr. Burns has done with staff but both men have a thorough knowledge of the policies and problems of the bank as a result of the conference that takes place between senior executives each morning.

Mr. Burns was born in Digby, N.S., in 1878, of United Empire Loyalist descent. He went to Digby Academy and the high school at Moncton, N.B., and just before he reached his 18th birthday he joined the Bank of Nova Scotia in 1896. From there to Halifax, then to general office and then to Boston in June, 1900. In 1903 he went to Montreal as accountant and there began his association with Harry Patterson. In 1905 he was appointed manager at Kentville, N.S., then at Woodstock, N.B. The next move was an important one for with his appointment to manage the Vancouver branch he left the well-established branches of Eastern Canada and assumed additional responsibilities.

He managed the Vancouver branch through a difficult period from 1906 to 1915 and then returned for a month to general office whereupon he was appointed supervisor of western branches. In August, 1916, he was appointed manager at Toronto, a position that he held until his appointment as assistant general manager on September 1, 1923. In addition to his position with the bank he is a director of the Crown Life Insurance Co.

His clubs are Vancouver, Toronto, Toronto Golf, York and Toronto Hunt. He is a member of Ionic Lodge, Toronto, and his chief recreation is golf.

Immigrant Boy of Barrie Chairman of Scotia's Board


Samuel J. Moore

Last week in the board room of their new Halifax head office, shareholders of the Bank of Nova Scotia approved the elevation of Samuel J. Moore to the newly created office of chairman of the board.

For over six years he has directed the board meetings of this leading Canadian bank. Now the presidential responsibilities will be shifted to J. A. McLeod, who achieves well-deserved promotion from his former office of general manager.

The story of S. J. Moore is one of the great romances of Canadian industry. Coming as an immigrant lad to Barrie he started his business career as printer's devil on the Barrie Examiner at the tender age of twelve. From there he set off to see something of America and actually got as far as Texas before deciding to return to Canada. He came back in 1879 when but twenty years of age and went into the publishing business in Toronto. One of his jobs was the publication of "Grip," a paper which with its clever cartooning and editorials was a powerful factor in the political life of the day. His real chance came, however, when he met a young clerk named John Carter who had hit upon the idea of a counter sales book that would standardize sales slips.

That was fifty years ago and today that simple idea, together with a dozen or more which he has capitalized and developed with equal success, has been built into one of the most outstanding commercial ventures of the present century. Under "Moore Corporation" a dozen big factories in different parts of the continent are busy manufacturing and merchandising the commodities he has sponsored.

Mr. Moore entered the banking arena via the Metropolitan Bank, which he and some friends founded at Toronto in 1902. In 1914 it was absorbed by the Bank of Nova Scotia and among others, Mr. Moore was added to the board of the larger institution. When George S. Campbell died in 1927, Mr. Moore was elected president.

Thus for twenty years the bank has had the benefit of his wise counsel. That it still covets his wisdom and judgment is evidenced by the fact that in his seventy-fifth year an entirely new office—chairman of the board—has been created to ensure his active interest in the fourth largest bank in Canada.

B.C. Has Brain Trust; Carrothers Heads It

University Professor Named to Act as Chairman of Premier Pattullo's Advisory Council

By CHARLES L. SHAW

Since Premier Tolmie and his government were swept out of office at the provincial election in November, the people of British Columbia have been hearing almost as much about new Premier Pattullo's New Deal as Americans and other listeners-in have heard of Mr. Roosevelt in a somewhat larger sphere.

Plans New Deal for B. C.

The exact nature of the Pattullo New Deal has never been specified, and probably Mr. Pattullo's own conception of it has changed somewhat since the recent premiers' conference at Ottawa when several of his plans were firmly put aside by Premier Bennett. Mr. Pattullo may have to think up some other ways of providing his promised "Work and Wages," his campaign pledge, than through Ottawa's financial assistance, but those who imagine that the British Columbia premier will accept Ottawa's say-so as a definite discouragement simply do not know Mr. Pattullo. In fact, he seems satisfied with the conference—as far as it went.

Not Averse to Experiments

Like the other New Dealer in Washington, Mr. Pattullo is not averse to making experiments. If one plan doesn't work he will try another. He simply won't stand pat.

W. A. CARROTHERS

And one of Mr. Pattullo's foremost advisors will be a college professor.

Just what is expected from Professor W. A. Carrothers, head of Pattullo's Brain Trust, is not very clearly known as yet except perhaps by Mr. Pattullo and the professor himself. But Carrothers is no man of mystery. He is very well known; especially in educational and cultural circles in Western Canada, as a man of considerably more than average intelligence; as a professor who is more than a theorist; a personable young man who by his common sense and wit has won a great many admiring friends among business and industrial executives, bankers and professional men. Carrothers, his friends say, is not the sort of man to advance a lot of idealistic notions that sound well on paper but cannot be translated into reality.

Idea is Not Novel

"An advisory council such as we are to have in British Columbia is not a revolutionary idea at all," says Carrothers. "Bodies similar to this have been in existence in England, France and Germany for years and, of course, there are many such councils in the United States, especially since President Roosevelt took charge.

"We have come to realize," he says, "that in our form of society we can no longer leave things to the control of the market—an arrangement which works so long as you have complete freedom from competition, and so forth, but which does not work now. For example, it is quite clear to all now that in some parts of our economic system open competition would be disastrous to everyone concerned. We must have a more intelligent control of our economic structure."

Is Merely Advisory

The advisory council will not have regulatory powers. It will simply recommend action to the Government.

"We can't have two Governments," said Dr. Carrothers. "To set up a sort of economic senate would be ridiculous. We won't have any direct responsibility to the people—merely to the Government. We will try to ascertain the economic facts and then present them to the Government in the form of reports."

An interviewer asked him whether this would likely lead to greater control of marketing and similar functions by law, and he replied that in some cases it might and in others not.

"Control of marketing, for example, might be desirable in one field and not in another," said Dr. Carrothers. "It will be just such questions as this that the council will investigate. What we need most of all is the actual facts and we propose to get them."

Some of His Problems

One of the matters to be dealt with is the relationship between wages, hours of work, working conditions and the condition of industry generally. Improvement of living conditions and less unemployment will be sought.

"To give our work the maximum effect, of course, national co-operation will be necessary," said Dr. Carrothers, "but in our own somewhat restricted sphere we can do a great deal toward improving conditions."

In Demand as Speaker

An Irishman by birth, Carrothers came to Canada as a youth and for a while he entertained notions of becoming a clergyman. However, he rejected that idea and when the war started he was off to France. In France he served with the Royal Flying Corps, became a major and won the D.S.O. and Croix de Guerre. After the war he rounded out his education at Edinburgh; then returned to Canada, filling various university rôles in Manitoba and Saskatchewan. He came to British Columbia nearly four years ago and has been a member of the faculty of the provincial university at Point Grey ever since.

Carrothers was never intended for the cloistered life of the story-book professors, however. Early in his career in B. C. he gained a reputation as a speaker on economics and was soon in demand at gatherings of business men and others. He has a happy faculty for explaining difficult subjects simply, listening to him is delightful, not bewildering and tiresome. His administrative talent was recognized by the Dominion Government when it appointed him a member of the three-man board to manage relief for single unemployed men in British Columbia. When the politicians swung into last year's provincial election campaign three parties offered Carrothers a nomination—Liberals, C. C. F. and Non-Partisans. The professor turned down the offers.

Another Professor With Him

However, when T. D. Pattullo announced before the election that he intended, if placed in office, to appoint an advisory economic council it is probable that even at that early stage Carrothers had been consulted and that he had given his consent to serve when called upon.

Another U. B. C. professor will serve with Carrothers on Pattullo's brain trust—Prof. Henry F. Angus. In addition there will be about eight others and it is assumed that they will represent business, labor, industry and other varied interests.

Pattullo again indicated his Rooseveltian favor toward professors when he appointed as his minister of education and provincial secretary Dr. G. M. Weir, head of the Department of Education at the University of British Columbia.

Pattullo is "sold" on the advisory council idea. While attending the conference in Ottawa he strongly urged on other provincial premiers the advisability of appointing advisory councils of their own as a means of surmounting some of Canada's social and economic problems.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

WALL STREET EXPERIENCE

Canadian, College Graduate — Five Years' Experience as Security Analyst in New York — thoroughly familiar with N.Y.S.E. and Canadian Securities — Stock and Commodity chart reading experience — seeks connection with a Financial House. Write Box 242, The Financial Post, Toronto.

Position Wanted

YOUNG MAN, AGE THIRTY, SINGLE, with five years experience in general office work, credits and general ledger work, desires position in business office or as understudy to business executive. Apply Box 240, Financial Post, and interview will be arranged.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Representative Wanted

A MANUFACTURER IN SCOTLAND of high-grade Harris Tweeds desires to secure reliable representative to handle his product for the Canadian market. Box 230, The Financial Post, Toronto.

Meetings Reported

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 421 University Ave., Toronto.

DIVIDEND NOTICES

Champlain Oil Products Limited

Preference Share Dividend Number 2

NOTICE IS HEREBY GIVEN that Preference Share Dividend Number 2 of fifteen cents ($0.15) per share, being at the rate of sixty cents ($0.60) per share per annum, has been declared by the Board of Directors of Champlain Oil Products Limited with respect to the outstanding Preference Shares without nominal or par value of the capital stock of the Company for the quarter ending on the 31st day of January, 1934, to be paid on the 15th day of February, 1934, to Shareholders of record at the close of business on the said 31st day of January, 1934.

AGNEW-SURPASS SHOE STORES LIMITED

NOTICE

Common Dividend No. 1

A Dividend of 20c. has been declared on the No Par Value Common shares of the Company for the six months ending November 30th, 1933, payable March 1st, 1934, to shareholders of record February 15th.

Preference Dividend No. 24

A Dividend of 1¾% for the three months ending March 31st, 1934, has been declared on all the issued Preference shares of the Company, payable April 2nd, 1934, to shareholders of record as of the close of business March 15th, 1934.

By Order of the Board.

K. R. GILLELAN, Secretary.

Jan. 16th, 1934.

Blue Ribbon Corporation Limited

Notice is hereby given that a dividend of fifty cents (50c) per share on the preference shares of the Company has been declared payable on and after February 1st, 1934, to shareholders of record on January 27th, 1934.

Dated at Toronto this 25th day of January, 1934.

J. C. JAMIESON, Secretary.

Canadian Hydro-Electric Corporation Limited

Notice of Dividend on 6% Cumulative First Preferred Stock

Ottawa, Canada, January 27, 1934.

The Board of Directors has declared a quarterly dividend of 1½% ($1.50 a share) on the shares of 6% Cumulative First Preferred Stock of the Corporation payable in cash March 1st, 1934, to holders of record of such stock at the close of business February 1st, 1934.

Cheques will be mailed. Stock transfer books will not close.

J. R. BINKS, Secretary.

The TORONTO GENERAL TRUSTS CORPORATION

Notice is hereby given that the Annual General Meeting of the shareholders of The Toronto General Trusts Corporation will be held at the Head Office of The Corporation at No. 253 Bay Street, in the City of Toronto, on

Wednesday, the 7th Day of February, 1934, at the Hour of 12 o'Clock Noon

to receive and consider the Annual Report and Financial Statement of The Corporation for the year ended the 31st of December, 1933, to consider amendments to existing bylaws and to elect Directors for the ensuing year, and for the transaction of such other business as may be brought before the shareholders.

By Order of the Board of Directors

Toronto, January 27th, 1934.

W. G. WATSON, General Manager.

DIVIDEND NOTICES

Perfect Circle Declares Regular Quarterly Dividend

The regular quarterly cash dividend on 162,500 shares of stock outstanding was recently declared by the Board of Directors of The Perfect Circle Company. The dividend, amounting to fifty cents a share, is payable April 1, 1934, to stockholders as of record March 20, 1934.

THE PERFECT CIRCLE COMPANY, LTD.
Toronto, Ontario, Canada.

SIMON'S

H. Simon & Sons Limited

DIVIDEND NOTICE

Three quarterly Dividends of 1¾%, amounting to $5.25 per share on account of arrears of $8.75 per share on the Preferred Stock of H. Simon & Sons, Limited, have been declared payable on the First Day of March, 1934, to stockholders of record as of the 20th day of February, 1934.

By Order of the Board,

A. E. M. WARNER, Secretary-Treasurer.

Montreal, January 29, 1934.

NOTICE

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of Montreal Tramways Company, will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, at 12 o'clock noon, on Monday, the 12th March, 1934. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said Meeting.

The meeting will be convened as called, and immediately adjourned until Thursday, the 26th April, 1934, at the same time and place.

The Shareholders are hereby and will further be requested at the said Meeting to ratify amendments to the Company's By-laws heretofore enacted by the Directors, as follows:

1. That Section 4 of Article III of the Company's By-laws be repealed and re-enacted to read as follows:
"4. The Directors at their first meeting after their election shall elect from among their number a President and a Vice-President. They may also elect one or more other Vice-Presidents who need not be members of the Board."
2. That Section 6 of Article III of the Company's By-laws be amended by adding after the word "Vice-President" in the fourth line, the words "who is a member of the Board."
3. That Section 1 of Article VI of the Company's By-laws be amended by adding after the word "Vice-President" in the first line, the words "who is a member of the Board," and by substituting the word "such" for the word "the" before the word "Vice-President" in the fifth line.
4. That Section 2 of Article VI of the Company's By-laws be amended by deleting the words "The Board of Directors may appoint one of its members to be the Managing Director of the Company and he" and substituting therefore the following "Any Vice-President elected by the Directors."
5. That Section 4 of Article VI be amended by inserting the word "General" before the word "Manager" in the first line.
6. That Section 5 of Article VI be amended by deleting the words "Vice-President, Managing Director" in the sixth and seventh lines, and substituting therefor the following "any Vice-President."

The Transfer Books will be closed from the 21st February, 1934, to the 12th March, 1934, both days inclusive.

By order of the Board,

PATRICK DUBEE, Secretary-Treasurer.

Monday, January 22nd, 1934.

SIMON AND SONS DIVIDEND ARREARS CUT MATERIALLY

Directors Announce Payment of Three Quarterly Payments

From Our Own Correspondent

MONTREAL—H. Simon and Sons, cigar manufacturers, have taken steps to clean up arrears of dividends on the preferred stock by declaring three quarterly dividends on arrears, amounting to 5¼ per cent. A further announcement will be made as to payable and record dates.

Public financing was carried out by this company in the early part of 1928, when $1,000,000 of seven per cent cumulative preferred shares were offered at par. An initial dividend of $1.41 was paid on June 1, 1928, and regular quarterly payments were made thereafter. On December 1, 1932, payment was deferred. Consequently the company has missed five quarterly payments and is therefore in arrears to the extent of $8.75 on the preferred. The current payment, when it is made, will leave $3.50 still due on account of arrears.

Anticipate Larger Profits

The action of the directors presupposes that earnings of the company in 1933 were on a much better scale. In 1932 the company reported an operating profit of $26,370, to which was added $15,279 on account of profit on preferred stock redeemed. After taking care of depreciation and other prior charges, however, there was a deficit of $68,726 compared with a profit of $41,043 in the preceding year. Preferred dividends paid during the year totalled $22,814, so that the total deficit for 1932 amounted to $91,540.

Working capital position at the end of 1932 was particularly strong, current assets amounting to $605,251 as against current liabilities of only $49,420.

Grain and Milling in Canada

Wheat

From Our Grain Correspondent

Export Demand Resumes

AFTER showing definite signs of weakness during the week ended Jan. 26, recording a loss of 1¼ cents for the six days trading, wheat at Winnipeg opened the current week considerably stronger. Helped by fair export demand prices reacted to the levels of the beginning of the previous week. The recession and subsequent return to higher levels demonstrates again the necessity of continued export demand if prices are to be maintained at levels around 70 cents.

The pause in export demand during the week ended Jan. 26 was brought about by larger exports from Argentina and Australia, considerable hedging of Argentina wheat in the Liverpool market, and a week's holiday declared by all flour mills in the northern part of England.

* * *

Shipments and Quotas

WORLD wheat shipments so far have run fairly close to the estimated movement, the exports up to Jan. 20, totalling about 250,000,000 bushels from all sources. World demand is not expected to exceed 560,000,000 bushels, so that the first six months of the crop year which end Jan. 31, will show almost half that amount cleared.

Canada and the United States between them have a quota of 147,000,000 bushels, of which Canada gets 200 millions. These two countries have shipped about 113 millions of which almost 100 millions came from Canada, and the balance to be exported in the remaining 27 weeks of the crop year is 134,000,000 bushels.

In this same period, Argentina has exported 45½ million bushels of her 110 million-bushel quota, leaving 64½ millions to go out. Australia has cleared 41 of her allotment of 105 million bushels, and also has 64 millions to dispose of in the last 27 weeks of the crop season.

* * *

Soviet Desires Garnet

THAT Soviet Russia is sparing no trouble or expense to obtain the best varieties of wheat for seed purposes is demonstrated from a news item from Alberta, which states that the Alberta Department of Agriculture has obtained the only carload of certified Garnet wheat obtainable in Canada, its bid being only a few hours ahead of a bid from Soviet Russia. The seed was grown in the Trochu district, near Calgary and will be distributed as seed under an approved plan.

Profits 3 Mos. Of Canada Dry Take Big Jump

Profits of Canada Dry Ginger Ale, Inc., for the quarter ended December 30, 1933, which is the first quarter of its fiscal year, were $156,475 as compared with profits of $1,926 for the corresponding period of 1932. This encouraging improvement has been made about twice as large as it otherwise would have been by reason of profits from new lines of the company. P. D. Saylor, president, says that only about a month of actual experience with these new lines was before the accountants when preparing this quarterly statement and that the executives should be in a better position a little later to discuss the profit possibilities of these new lines.

Quarterly Statements—Three Months Ended	Dec. 30 1933 $	Dec. 31 1932 $
Gross profit	1,221,598	1,062,192
Less: Sales expenses	982,657	989,366
Operating profit	238,941	72,826
Add: Other income	29,143	28,803
Total net income	268,084	101,629
Less: Customers' discts., bad debts res., etc.	39,,478	22,531
Depreciation	48,480	76,857
Interest	1,011	......
Income taxes	22,645	615
Net profit	156,474	1,926

The president states that the sales of Sparkling Water were very gratifying during the last quarter, and it appears to the directors that this item will continue to increase and result in real profits for the company. No reference is made to the arrangements made by the company with various manufacturers for distribution and sale of well-known brands of imported and domestic alcoholic liquors but it is probable that some of the increases referred to may have been because of beverages suited to drinking with whisky.

Winnipeg Population Growing

Winnipeg's population, exclusive of suburban municipalities, is 221,242, according to a compilation just completed by the civic assessment department. This is an increase of 2,697 over last year and is the highest in the city's history.

1934 CONSUMPTION WILL CUT SURPLUS 120 MILLION BU.

Estimate of Stanford U. Cuts Canada's Surplus 57 Millions

Wheat stocks throughout the world should be reduced by about 120 million bushels during the current crop year with the Canadian surplus declining from 212 millions to 155 million bushels, according to an analysis made by the Food Research Institute of Stanford University appearing in its January issue of Wheat Studies. Canada and the United States are estimated to be the only countries in which the carryover will be reduced, the reduction in the case of United States being placed at 146 million bushels.

The complete forecast, which places world stocks at August 1, 1934, at 984 million bushels as compared with 1,106 million at the same date in 1933, is based upon current crop statistics and upon the Institutes forecasts of trade and consumption, country by country. It is admitted that the actual reduction may prove to be 50 million bushels larger or smaller. The estimate by countries follows:

Estimated Carryovers at August 1 (Millions of Bushels)

	1934	1933
United States	240	386
U. S. A. in Canada	4	4
Canada	155	212
Can. in U. S. A.	7	7
Australia	65	60
Argentina	128	75
Afloat to Europe	32	32
Sub-total	631	776
Importing Europe	245	243
Danube Basin	50	29
India	29	29
Northern Africa	13	13
Japan	5	5
Afloat to Ex-Europe	11	11
Total	984	1,106

300 Million Above Normal

With world stocks at 984 million bushels, this would leave the total approximately 300 million bushels above a normal level. Hence, it is argued, disappearance of the world wheat surplus is not yet in sight.

Partially offsetting the reductions in surplus which are certain to take place on the North American continent will be increases in Argentina (if exports are kept within the quota allotted under the International Wheat Agreement, which is assumed) and in the Danube Basin, where abnormally low reserves when the year opened will probably be replenished.

N. A. Stocks Low

If the distribution proves to be as the above forecast, North American stocks will be the lowest since 1929 and will constitute the smallest proportion of the world total; stocks in importing Europe and in Australia will be the largest in at least a decade, and in Argentina almost as large as in 1929. Danubian stocks will be sizeable and elsewhere stocks will be small.

TRADE IN WHEAT CONTINUES SMALL

Southern Hemisphere New Crops Entering Market

World trade in wheat continues on a small scale. From August 1 to January 22 world shipments of wheat amounted to 250 million bushels as compared with shipments of 288 million for the corresponding period in 1932-33. During the first twenty-five weeks of the present crop year world shipments have averaged 10 million bushels per week as compared with 11.5 and 15.2 million bushels per week during the corresponding weeks of 1932-33 and 1931-32 respectively. The London Wheat Conference estimated world trade in wheat for 1933-34 at 560 million bushels. With 250 million bushels exported to date, a balance of 310 million bushels remains to be cleared during the remaining 27 weeks of the present cereal year.

The new crops of the Argentine and Australia are commencing to move into international trade. Argentine production is estimated at 256 million bushels and Australian production at 160 million bushels. The combined production in 1933 in the two countries is smaller than a year ago, the decrease in the yield of the Australian crop more than offsetting increased production in the Argentine.

The wheat situation in the United States is marked by rather poor prospects for winter wheat production, relatively small farm holdings and the subsidizing of exports of Pacific Coast wheat.

European production excluding Russia, is now estimated at 1,683 million bushels as compared with 1,481 million harvested in 1932. Information as to the condition of the 1934 European wheat crop is not very definite at the present time. It appears, however, that conditions in Italy are inclined to be unfavorable, and that a reduced acreage has been sown for harvest next year. In spite of harvesting a larger crop in 1933 than in 1932, the United Kingdom has continued to import more wheat during the present crop year than during 1932-33. Increased stocks of imported wheat and flour are reported.

Wheat Exports in the week ended Jan. 19 amounted to 3,426,214 bushels as compared with 2,575,932 bushels in the corresponding week a year ago and 2,633,028 bushels in the previous week.

Coal Production in December amounted to 1,299,261 tons, an increase of 8 per cent over December, 1932, and 3.2 per cent over November. Output for the year amounted to 11,876,492 tons as compared with 11,738,913 tons in 1932.

Winnipeg Grain Prices

Week to January 30, 1934

Crop year from Aug. 1, 1933 High	Low		Open Jan. 24	High for week	Low for week	Close Jan. 30
		Wheat				
.95	.59¼	May	.68¾	.70½	.67½	.69½
.71½	.62¼	July	.69⅝	.71½	.68⅝	.70½
		Oats				
.48½	.29½	May	.36¾	.37¾	.35	.37½
.38⅝	.32⅛	July	.36⅞	.38⅛	.36¼	.37⅝
		Barley				
.59¾	.32½	May	.42½	.43	.40¾	.42¾
.44⅛	.36¾	July	.42⅞	.44⅛	.41⅝	.43¼
		Flax				
1.71½	1.15	May	1.51¼	1.59	1.50¾	1.55½
1.58	1.39½	July	1.50	1.58	1.49¼	1.54¾
		Rye				
.68½	.39⅛	May	.50⅝	.51⅞	.48¾	.50¾
.53¼	.43⅜	July	.51⅛	.52⅝	.49½	.51½

Says Diversified Farming Not Feasible in Sask.

Oft-Expressed Panacea Impossible in Drought Areas—Feed Shortage Already Acute—Subsoil Moisture Not Nearly as Important as Rainfall

By S. BARNES,
Dominion Experimental Station, Swift Current, Sask.

Drought has taken a heavy toll of crop yields for the fifth successive year in certain parts of Western Canada and the accumulated economic losses have assumed serious proportions. The control of drought, therefore, is a major problem. No other single factor or even group of factors inimical to the growth of crops has such a devastating influence, but strange to say the amount of direct research on drought remains on a very modest scale.

Drought has been defined as a period of dry weather by or before the end of which vegetation is suffering from the lack of rainfall. According to this definition extensive areas in Western Canada, particularly on the open plains, are frequently subject to drought. The results of experiments on soil moisture, conducted at the Dominion Experimental Station, Swift Current, Sask., show that wheat rarely receives sufficient moisture to ensure normal growth. Wheat yields only occasionally reflect the crop producing power of the soil. Under what might be termed normal or average conditions moisture is the limiting factor in crop production. When conditions are abnormal and less moisture is available for crops the resulting drought reduces yields appreciably.

No Control of Rainfall

With the exception of a few local areas, where underground water is comparatively close to the surface of the ground, all the water taken from the soil by crops has its origin in the natural precipitation. A lack of soil moisture, therefore, implies a lack of rainfall. Control of rainfall would, of course, automatically solve the drought problem, but no such short cut appears within the realm of possibility.

Rain is produced when warm, moist air is cooled. Under these conditions the moisture, present in the air as vapor and chiefly invisible, is condensed and falls as rain, hail or snow. The procedure involves an expenditure of energy by natural forces on a scale far greater than those at present under human control. A disconcerting feature about natural precipitation is that its occurrence appears to be wholly fortuitous.

Predictions Only Short-term

Meteorologists, because of the uncertain and as yet not thoroughly understood behaviour of the factors that produce rain, are unable to predict its occurrence with certainty for more than a few days in advance. The problem of drought control, therefore, is intensified by doubts regarding the nature of the dominant factor.

A succession of seasons of low precipitation at once arouses a fear that the climate is changing and that local areas may become unfit for crop production. This fear is strengthened by the fact that certain areas throughout the world, which are now desert, indicate unmistakable evidence of former habitation.

As far as the climate of Western Canada is concerned it is not possible to state with any definiteness that the climate is undergoing a permanent change. Judgment, of course, must be based upon past records. A study of precipitation records of Swift Current, for example, shows that the lowest total annual precipitation was 9.66 inches in 1894 and the highest 24.55 inches in 1891. In all, records are available for a period of 47 years and for each year the total precipitation has been different. Notwithstanding the recent series of dry seasons the low precipitation of 1894 still remains as a record.

Drought Area Expanding

The erratic nature of the seasons is also reflected in the areas involved in a drought. In recent years these have expanded into areas formerly considered as reasonably safe and contracted from others thought to be chronic sufferers. Bearing in mind the extreme variability of the seasons and that the character of any season is largely a matter of chance, the evidence to support a belief that the seasons are undergoing a permanent change becomes slim indeed.

The type of farming practised in Western Canada is essentially that of grain production. In the three Prairie Provinces nine-tenths of the cultivated land is used for the production of the three major cereals, wheat, oats and barley, with wheat in greatest proportion. Such a practice has been considered unfavorably by some authorities. The proportion of forage crops and consequently livestock should be greater, it is contended. The precarious nature of grain farming is compared to the more desirable type which provides an income from several sources. The latter type is usually termed diversified farming, but is also known as mixed farming and sometimes as safe farming and even permanent agriculture.

Propose Mixed Farming

The Better Farming Commission of Saskatchewan in its report issued in 1921, after a series of disastrously dry seasons in southwest Saskatchewan, strongly advocated a system of diversified farming as a means of combatting drought. The report states on page 55 "a system of farm management in the southwest to be reasonably certain of success should be of a diversified character. The more the risk is divided the less heavily the losses will fall in any one season." This recommendation seems so logical that its general adoption could almost be taken for granted.

After a period of years, however, the farming practices in the areas concerned have undergone an appreciable change toward that recommended by the commission. This is surprising because many farmers, in areas where the dominant farm practice was formerly that of grain growing, are reported as adopting a system of diversified farming with definite success. The very slight changes which have taken place in the farming practices of southwest Saskatchewan can be readily understood from the following tables:

Cereal Acreages
Crop Districts Nos. 3 and 4

Year	Wheat Acres	Oats Acres	Barley Acres	Total Acres
1921	4,336,018	1,320,956	67,512	5,724,511
1926	3,970,312	811,183	58,281	4,839,776
1931	4,844,410	852,217	167,184	5,863,811

Corresponding figures for live stock populations are presented below:

Live Stock
Crop Districts Nos. 3 and 4

Year	Horses	Cattle	Sheep	Swine	Total
1921	375,447	363,777	46,671	102,346	888,241
1926	384,407	334,206	31,363	111,638	861,614
1931	269,848	250,474	98,622	157,549	776,497

Feed Problems Many

Diversified farming is practised most efficiently in humid sections. In the drier areas diversification meets with very definite hazards, chiefly the uncertainty of securing supplies of feed for stock. The situation can be readily visualized from the experience of areas, normally considered as humid, but occasionally subject to dry seasons. Ohio, U.S.A., according to an official report, suffered in 1930 from one of the most severe droughts in its history. Farmers in the drought stricken areas received aid through a reduction of freight rates on feed, also on live stock shipped out for feeding purposes. Incidentally this has also been the unfortunate experience of farmers in certain areas of Western Canada in recent years.

In Ohio in 1930 the season's precipitation, ordinarily totalling 38.25 inches, was in some sections only 20.8 inches. Such an amount, it might be mentioned, is still in excess of the average received at many Western Canadian points. A most remarkable feature of the report of the Ohio drought is that the yields of wheat, oats, barley and rye, were actually higher in 1930 than the corresponding averages for the previous ten years. The distress arising from the drought was caused by failure of the two major crops, corn and hay.

Canada's Problem

When Ohio with a rainfall of 20.8 inches has its forage crops severely injured by drought, the handicap under which a Western Canadian farmer operates, with a total average annual precipitation at best only seventy-five per cent as great, is fairly obvious. The matter was put in succinct language by one of the speakers at the Regina Conference when he said: "To diversify crops where possible is usually productive of good results, but by engaging in live-stock production in such areas, except in so far as required for providing a living for the farm family is to court disaster." The reference here is to areas where partial or total crop failure is a possibility.

Diversification in the drier areas of Western Canada is handicapped by the greater hazards attending certain crops. Forage crops, so desirable in a successful live stock enterprise, are more difficult to produce than cereal crops. Grasses and clovers it is true are generally considered as drought resistant and these can survive a protracted period of drought. The term "drought resistant," however, is an unfortunate one in this sense as it conveys the idea of a plant growing in spite of a lack of water, a property possessed by none of the economic plants. Grasses and clovers reach their highest development under humid conditions. When moisture is scarce their performance is lamentably weak as the experience of Ohio in 1930 indicates.

Oats Used For Feed

Farmers in the drier areas of Western Canada depend chiefly upon oat green feed for their supplies of forage. The choice was dictated no doubt by experience, but investigation has shown it to be perfectly logical for, with the same amount of water available, twice as much dry material, the chief desideratum in all forage crops, can be produced as compared to hay crops.

A radical change in farming practices in the drier areas scarcely seems feasible as a means of overcoming drought. If any further evidence on this point be needed it will be found in the experience of ranchers, many of whom are located in areas subject to drought. Few problems give the rancher as much concern as that of securing reserve supplies of feed.

Two-thirds Evaporates

It might be questioned seriously whether the elimination of drought is a possibility. As no control can be exercised over rainfall, the deciding factor in a condition of drought, any attempt to eliminate drought is foredoomed to failure. Moreover, drought is not peculiar to Western Canada, but has plagued extensive areas of the world for centuries. If a simple means to combat drought were available it would have been discovered long ago. Similar remarks might of course be applied to insect pests and plant diseases. Few of these have been eliminated, but substantial progress has been made toward effective control.

At present the efficiency of rainfall in supplying moisture for crops is very low. Two-thirds or even more of the rain falling upon summer fallow, which is land used expressly for the storage of moisture, is lost by evaporation. Weeds growing in association with grain crops compete for moisture which is frequently deficient. Summer rainfall on the prairies is often in the form of heavy showers of short duration and much of this water finds its way into ditches or sloughs by runoff. The search for plants economical in the use of water is by no means complete. Finally, the age old custom of storing a portion of the produce of good years for use during the poor ones needs encouragement on a much larger scale.

Grain Briefs

Canadian Wheat in Store on January 26 amounted to 234,992,160 bushels compared with 235,181,010 the week before and 229,186,647 on the corresponding date of 1933. Canadian wheat in the United States amounted to 10,405,745 bushels of which 4,021,784 were at Buffalo and 4,764,964 at New York. This compared with 11,130,458 bushels a year ago, of which 6,733,520 were located at Buffalo and 1,694,451 at New York. United States wheat in Canada was shown as 2,248,845 bushels compared with 6,793,357 last year.

Wheat Marketings in the Prairie Provinces for the week ending January 19 amounted to 3,374,304 bushels compared with 2,369,521 the week before and 2,381,573 in the same week of 1933. Marketings by provinces were as follows, the figures within brackets being the receipts of a year ago: Manitoba 109,033 (72,892), Saskatchewan 1,407,281 (614,060), Alberta 1,857,990 (1,694,621). During the 25 weeks of the crop year marketings by provinces were: Manitoba 23,142,308 (29,824,934), Saskatchewan 84,092,378 (147,868,051), Alberta 60,816,040 (105,271,637). Total 168,050,726 (282,964,622).

McCabe Bros. Grain Co.
LIMITED
WINNIPEG, MAN.
GRAIN COMMISSION MERCHANTS
Shippers and Exporters
All Grains-Sacked Feeds
Operating Country Elevators
MANITOBA
SASKATCHEWAN
ALBERTA
Branch Offices:
DULUTH — MINNEAPOLIS

HŌVIS FLOUR
There is a growing demand in Canada for bread baked from Hovis Flour. Hovis Flour contains a large percentage of pure wheat germ —widely recommended by eminent doctors. Hovis Flour is milled and sold in Canada exclusively by
WESTERN CANADA FLOUR MILLS CO. Limited
Head Office, Toronto — Branches from Coast to Coast

SEARLE GRAIN COMPANY
LIMITED
Country Elevators—Commission Merchants—Future Orders—Domestic and Steam Coal—Flour and Feed
OFFICES:
WINNIPEG — EDMONTON — CALGARY — FORT WILLIAM — VANCOUVER
SEARLE TERMINAL LIMITED
WINNIPEG - FORT WILLIAM

British America Elevator Company, Limited
WINNIPEG - MANITOBA
We Own and Operate 130 Country Elevators in
MANITOBA - SASKATCHEWAN - ALBERTA
Licensed Country Grain Warehousemen
Commission Merchants — Track Buyers
Members:
Winnipeg Grain Exchange — Chicago Board of Trade
Minneapolis Chamber of Commerce

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

The Alberta Pacific Grain Company Limited
(Licensed and Bonded with the Board of Grain Commissioners)
- OPERATING -
375 Country Elevators
Terminal Elevators at Vancouver
Capacity 6,500,000 Bushels
275 Coal Sheds
Offices:
WINNIPEG - CALGARY - VANCOUVER

NORRIS GRAIN COMPANY
LIMITED
Winnipeg and Toronto
PRIVATE WIRE SERVICE
GRAIN AND STOCKS
Represented by NORRIS GRAIN CO. at
London, Liverpool, Chicago, New York, Toledo, Kansas City

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 Produce Exchange, New York
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Stock-Watering Antidote Is To Stop the Pretense

"No-Par Stock" Issue Should be Abolished or Accompanied by Statement of Original Capital Contributed

By F. W. WEGENAST, K.C., Author of "Canadian Companies"

In this third article it is the purpose to follow up last week's article describing various forms of illusory capitalization by a consideration of the possible remedies for stock-watering? Not many people would be quite so optimistic as the Quebec legislator who actually got his legislature to enact that "the practice commonly known as the watering of stock, is prohibited and all stock so issued shall be null and void." Only that and nothing more. But it is the misfortune of reformers that prohibitions are not made effective by merely enacting them. The slogan-maker and the phrase-maker no doubt have their uses; but to compress a complex evil or problem into a phrase or a word and add a prohibition does not simplify it or provide a remedy or solution.

Stock watering means pretending in one form or another that more capital was put into a company than actually was put in. The remedy obviously is to stop the pretense, to state the facts.

No-par Pros and Cons

From this standpoint the invention of so-called no-par scheme was no doubt a retrograde step; but in fairness it should be pointed out that the argument in support of the scheme was that it removed the delusion that the par value of stock really represented something. The answer of course is that perhaps the law should have made the delusion a reality rather than remove it. The reality at which the law aimed was that a stock certificate for $100 should mean that $100 had been originally invested. It was never supposed that in time the value might not be less or more than $100.

Under the no-par scheme the shareholder is at sea, not only as to present amount but also as to the original amount of the capital represented by his certificate. True, he can go to the balance sheet, but the balance sheet is more, rather than less, confusing than it was before.

Abolish or Modify No Par

The first step in prevention of stock watering may therefore be to abolish the no-par scheme—or perhaps, without in terms abolishing it, make provision for having the stock certificate show on its face the original amount of the capital represented by the share, or fraction, which the shareholder holds. The plan of having the directors fix the issue price of the stock could be maintained, but provision could be made for a form of certificate which would set out the amount of capital which the stock originally represented. If it should be objected that this would complicate matters if stock was afterward issued for a different price the answer would be that that was all the more reason why the facts should be published.

Making Signers Responsible

There is still of course the problem of the truth of the representation in the certificate as to the amount of the original investment and what to do about untrue statements. Here arises the suggestion that those who sign or issue stock certificates might be made responsible for the truth of the statement that So-and-so holds so many shares of paid-up capital stock representing an investment of so much. Those who sign prospectuses are responsible under the civil and the criminal law; why not those who sign stock certificates?

Court Reluctance Deplored

But the neck of the bottle, as already pointed out, is the reluctance of the courts to address themselves to the task of considering whether stock has been really paid up, when the payment is not in actual cash. It is all in the day's work for the court to assess the value of an arm or an eye or a reputation. But the value of a body of assets for which there are inventories and balance sheets and which could be referred to a master or other officer of the court, elicits, "No; let the company's directors settle that. If they overvalue the assets why should we interfere?"

The answer, of course, is "My lords, if the payment were in cash you would exact the uttermost cent on the ground that to allow any discount would be to deceive future shareholders and creditors. Where is the logic in allowing the shareholders and creditors to be deceived by paying an inadequate amount in something other than cash?"

Pricking High-pressure Promoters

There is the crux of the matter—not only in its bearing on stock watering itself, but also in its bearing upon the arts and practices of the high-pressure stock salesman. For it is hard to imagine this gentleman going about his business without having bonus stock to give away. A little reflection will show that the predatory modern promoter would take little interest in any plan of promoting a company under which he was simply to turn over to the company the money he collected (less some proper commission), the company giving certificates for the amount turned in. In the case already referred to, where the promoter had helped himself to an issue of $1,000,000 of common stock, he sought to justify his action by giving evidence that the bare cost of "assembling capital" was from thirty to thirty-five per cent without any profit to the promoter.

Investors would have been frightened away by such a charge—if they had known of it. Hence his plan of offering "units" of ten shares of preferred stock of $10 each and five shares of common stock of $10 each, that is, a total of $150 of stock, for $135. The common stock had been supplied by the promoter out of what he got for nothing. He took a commission of 25 per cent on the preferred and he took all the proceeds of the common, with the result that of $135 paid by the investor only $75 went into the company. Incidentally, the promoter was able to keep enough of the common stock to control the company without having invested a dollar.

By such means this promoter was able to float eight different companies and to take something like $12,000,000 from the people of Canada. Most of the companies are now out of existence. Two or three have been de-hydrated and survive.

Stop Bonus Stock Issues

Now this sort of promotion would be impossible without the common stock for the promoter to play with. Put a stop to the issue of bonus stock and the problem—or the remainder of the problem—of control of promotions assumes a much simpler aspect. In other words, make it impossible, or sufficiently difficult to issue stock for inadequate consideration and you have the problem of stock watering pretty well in hand.

For see what would follow: A promoter might still, by methods more frank and economical, and therefore more difficult, get a lot of money together for an enterprise of no merit. But if the control of the investment were in the investors—if the common tail were not in a position to wag the preferred dog—if the enterprise were not hopelessly waterlogged from the start, the money, or most of it, would still be there. The company might embark on a different enterprise, or it might wind up and give the shareholders back their money.

Deceptive Units

There is this to be said in favor of no-par stock, that it does make the appeal of the predatory promoter a little less deceptive. The promoter above referred to put together a unit which looked like $150, that is to say $100 of preferred stock and $50 of common stock, and sold it for $135. It would have taken more explanation to sell $100 of preferred stock and five shares of no-par stock for $135. And the victim would have been a little nearer to seeing that the five no-par shares amounted to little more than one-half the votes which had been extracted from his preferred stock.

So that we seem to come to this, that if some way could be found of preventing the issue of stock for inadequate consideration, or in other words, if some way could be found of truly recording or publishing, in the stock certificate or otherwise, what was the actual amount of the original investment represented by each share the problem of stock watering would be well on the way of solution.

Court Shauld Pass on Adequacy

How could it be done? Very simply, at all events in the case of stock of a definite par value. Let the courts see that stock is paid up to its full par value, whether the consideration is in cash or in something else than cash. The courts in the United States, starting with the same basic principles as those recognized in England and in Canada, do not decline the responsibility of enquiring into the adequacy of the consideration for stock issues. Here, by some accident of legal precedent, a different trend has developed. Could it be changed? Assuredly—that is, at all events, with the exercise of a little legislative persistance. It would seem that all that should be necessary would be to enact that the court should enquire into the adequacy of the consideration given for any stock wherever any question was raised as to its having been paid up. That, or something like it, would seem to be all that was necessary.

What makes one reserve a doubt is this sort of thing: In England in 1867 and in Canada in 1877 it was enacted that "every share in the company shall be deemed to have been issued and to be held subject to the payment of the whole amount thereof in cash," unless it had been otherwise determined by a contract duly filed with a certain official. This was, of course, aimed at the evil of stock watering, and might have been at least partially effective if it had not been for a decision of the courts—to this effect: that if a person has subscribed for a certain amount of stock and the company owed him a debt of the same amount it was not necessary for him to pay the money to the company and have the company hand it back. The two debts would just cancel each other. That was just as good as cash. After that all that was necessary to get around the cash requirement was for the company to contract to buy the assets for an amount in cash equal to the amount of the stock issue and the object of the statute was completely defeated.

Well, the obvious thing for the legislature to do was to say in some effective way that it had meant just what it said and that mutual cancellation of debts was not what it meant by cash. Instead of that the legislature, that is to say the English Parliament in 1900 and the Canadian Parliament in 1902, let the courts have their way and repealed the provision as to payment in cash. It might be necessary therefore to invoke not merely the statutory enactment but a certain amount of "follow up" or continuity of policy and purpose on the part of the legislature.

Or the matter of enquiring into the adequacy of the consideration might be left to some tribunal specially created for the purpose. It seems indeed quite arguable that the ordinary courts with their multifarious concerns could not be expected to give the matter as competent attention as some tribunal specially equipped. But unless and until such a tribunal is set up the remedy, if one is desired seems clearly to be an enactment such as that suggested.

Paying Dividends From Capital

We have thus far dealt with only one branch of our subject of illusory capitalization, that of inadequacy in the consideration for stock issues. Another branch is that of payment of dividends out of capital. Now this form of depletion of capital is generally considered one of the most serious offenses against company law. Auditors are sensitive about it and the courts have brought home to auditors the seriousness of their responsibility in the matter. Of course where such payment is attempted the effort is always to cover it by manipulating the figures of the balance sheet and the task of the court and the auditor is to discover the depletion.

Now it seems to defy explanation why it should be so heinous an offense to distribute among all the shareholders a part of the company's capital while it is unworthy of the court's attention if the company has started with its capital depleted fifty or seventy-five per cent in the interest of one or more favored shareholders. Even in the case of ordinary honest business losses, every effort is made by accountants and auditors, by the adjustment of items like reserves and goodwill, to avoid showing an actual depletion of capital. By common understanding everyone expects such efforts. Why? Because it is recognized so clearly that it is undesirable and illegal for the company to carry on operations with a depleted capital. Everyone would be ready with arguments why it would be unjust to future shareholders and to creditors to allow such a state of things.

Competent Auditing Invaluable

One thing is abundantly clear, and that is that competent conscientious auditing alone would furnish an almost complete remedy for every form of illusory capitalization. This does not mean that we should advise auditors to be perfect, or that lawyers may cast the first stone. But it does mean that the authorities (including the courts) cannot have it all one way. Either the public should be taught to recognize that so far as capitalization is concerned the reports and balance sheets of auditors are fallible and inconclusive, and should therefore perhaps be subject to review and supervision by the courts or some other authority; or auditors should be held responsible for their representations as to the intactness of a company's capital. From either point of view there would seem to be available legislative remedies directed to raising the standard either of auditing practice or of public intelligence—or of both.

Where Legislators Slumbered

So far the legislatures in Canada have not been conspicuously solicitous in the interest of the two classes most concerned, the shareholders and the creditors. One recent provision operates definitely in another direction. It is the provision, introduced in the Dominion Companies Act in 1930 and copied in some of the provinces, which permits the directors, in the case of companies with no-par stock, to set aside a part of the company's capital for distribution in dividends. Nothing could be more inconsistent with basic principles of company capitalization.

This third article in a series of six prepared by Mr. Wegenast for the aid of lay legislators and citizens confronted in 1934 with various proposals for company law reform or change. The fourth article, to appear in an early issue, will be on the subject, "Abstraction of the Votes."

Enquiries

Bathurst

Can you tell me when I am going to get a dividend on my Bathurst Power and Paper Stock? I have held this stock for a long time and I am told that the company is in good financial shape.

Bathurst Power & Paper Co. has managed to maintain a strong liquid position with ample working capital for all its needs. Its earning power, on the other hand, is negligible. This has been due to the limited productive facilities of the company, and the fact that conditions in the newsprint market in the last three years have been such that profitable operations have been almost out of the question. Nearly two years ago the company turned over one of its machines to the manufacture of kraft liner board. This has somewhat improved earning power, but income is far from being sufficient to warrant a dividend. We do not see any prospect in the near future of Bathurst paying a dividend on its class A shares. With a return to more normal conditions in the newsprint market, the company should be able to operate on a profitable basis, though, as already pointed out, we do not see anything like substantial earnings until there is a greater exploitation of the company's resources.

Dominion Glass

Would you be kind enough to give me your opinion on the investment merits of the common stock of Dominion Glass Co.?

Dominion Glass is recognized as one of the sounder Canadian industrial organizations. While its income has declined in the last two or three years, its earnings have been sufficient to take care of requirements. Last year the company redeemed its funded debt and the only capital obligations now outstanding are the preferred and common shares.

Future business prospects of the company are regarded as favorable. Demand for glass products naturally will fluctuate with business conditions, but the trend over a period of years should be upward.

Foreign Power

Are there any reports that Foreign Power Securities will resume dividend on its preferred stock? There have been no payments for over a year.

Foreign Power's financial position and earning power, like those of other holding companies, have been affected by market conditions and lower income. Most of the company's holdings are in French utility securities which have declined in value. The properties in which Foreign Power is interested are well regarded, but a return to dividends on the preferred stock will have to wait until there is an upswing in France's business conditions.

Imperial Tobacco

I am considering purchasing a few shares of Imperial Tobacco, which I note is selling slightly better than $11 a share. Is this stock favorably regarded?

The common stock of Imperial Tobacco Company of Canada is regarded as an investment issue. The company handles over 80 per cent of the tobacco trade in Canada. Over a period of years it has created a strong position in the industry, while its finances have been conducted on a conservative basis. The stock of the company is closely held. The floating supply is so limited that there is little or no speculative interest.

Beauharnois

Does Montreal Power control Beauharnois Power Corp.? Has this company been able to establish a market for its power?

Beauharnois Power Corporation's full deliveries of power will not be reached until 1937, when Ontario Hydro-Electric Power Commission will take 250,000 h.p. and Montreal Light, Heat and Power Consolidated, 150,000 h.p. Control of Beauharnois now rests with Montreal Light, Heat and Power as a result of the recent reorganization of the former. In return for underwriting capital necessary to complete the enterprise, Montreal Power secured sufficient common stock, together with that which it previously held, to give it control of the company.

Holds Some Leaders

I am holding Noranda, International Nickel and McIntyre Porcupine. I would appreciate your comment on this list.

International Nickel obviously at current market prices is discounting future earnings to a considerable extent, a feature that has characterized the market for the shares since the merger and formation of the present company. The company is fortified, as never before, to produce increased quantities of nickel and allied products at lower cost and is awaiting now only a return of improved economic and industrial conditions to take full advantage of its physical position. The market for the company's products has been steadily broadened and is increasing. Within the last nine months the tide of affairs has apparently changed, each successive quarter showing a decided improvement in the way of nickel sales and earnings. In the first quarter of this year a loss was incurred. In the second quarter a profit of ten cents per share was made. In the third quarter the profit was about 22 cents, while an improvement is expected in the last quarter of the year. The phenomenal recovery that has been made by this company in recent months gives evidence of what might be expected once that industry again becomes important.

Noranda Mines is in a very strong position with proven gold ore reserves greater than any gold mine in the Dominion. Either with current gold prices being sustained or an advance in copper prices, Noranda Mines stands to profit. It is in the unique position of being a copper-gold producer with exceedingly low costs. What it has been able to do during a period of adversity speaks well of what can be expected once copper prices improve. An expansion programme is under way that early this year will increase its gold and copper output nearly 25 per cent.

McIntyre Mines is a strong well-managed gold mining enterprise and as long as current gold prices prevail and costs do not increase, dividends are well secured and current market prices can be justified by earnings. The whole future of McIntyre and other leading dividend paying gold producers, is largely determined by the present price of gold continuing at the present low costs prevailing. The company is fortified with large ore reserves and large potential ore reserves.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

B. C. Nickel Mines

Please give me what information you have regarding B. C. Nickel Mines.

I would like to know particularly the location of the property, and any information that is indicative of its future, its present financial position, and the number of shares issued or authorized.

B.C. Nickel Mines was incorporated in 1929 and had an authorized capitalization of $3,000,000 in $1 par value shares. In addition, it had $180,000 in a ten year six per cent debenture issue, of which $149,500 had been issued. No financial statement has been issued since September 30, 1931, when current liabilities were shown at $32,652 and the current assets at $404. A few months ago Bernard E. Smith and other New Yorkers provided funds to carry on further exploration of the property and have recently entered into an agreement that will give them control of the company. Whether or not the deposit is of commercial importance is yet to be determined. Some high grade ore is in evidence, but its extent is in doubt. The International Nickel Co. officials have long been familiar with the deposit, but did not regard it as sufficiently interesting to acquire it.

The deposit comprises some 75 claims on Emory Creek, Yale mining division, near Hope, B.C., about 110 miles east of Vancouver.

The principal interest in the company seems to centre about Smith, who is famed for his market activities and who has the reputation of taking care of stock he is interested in, as long as he is interested.

Consolidated Smelters

I hold 50 shares of Consolidated Mining & Smelting Co. stock purchased at $137. Do you consider this stock a good hold for the future or would you advise switching into something else?

Obviously Consolidated Smelters stock at current prices is discounting future earnings of the company, a characteristic of the shares for several years. The company is in a very sound position as a lead-zinc-silver producer with huge ore reserves and in a position to take advantage of any general economic improvement. Its diversified interests, particularly its fertilizer department, are added hopes for shareholders. We cannot advise on the advisability of switching into another stock because we are not conversant with your financial requirements or demand for income. Smelters' future is inseparably tied with the future economic trend, while its management, liquid position and reserve place it in a position to take advantage of the situation when the time comes.

Scotia Manitoba Mines

I should like to know if you have any information on Scotia Manitoba Mines.

Shares of Scotia Manitoba Mines are without marketable value. The company is still in existence, but has not been active for many years and is without funds to carry on any conclusive programme.

3½% ON DEPOSITS

Interest at the rate of 3½% per annum compounded half-yearly makes your savings grow surprisingly fast. Your savings with the Canada Permanent earn this rate with safety.

Founded 1855

CANADA PERMANENT Mortgage Corporation

320 BAY STREET TORONTO

ASSETS EXCEED $70,000,000

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Astrologer and Blood-Reader

THE weaknesses of mankind are continually sought out by the racketeers and harnessed to their own ends. Astrologers have harnessed the desire of the human mind to learn the future. A certain "professor" has for many years made an excellent living by inserting in the classified advertisements of the daily press a small advertisement mentioning his astrological services which can be obtained by mail for the small sum of $1. To each enquiry the same multigraphed letter is sent in reply. After three or four months in one city, the replies drop off. The Professor then moves on to the next city.

This dodge is as old as the witch of Endor. Newer rackets have successfully applied science to their own ends. One racketeer in a southern U. S. city made good use of one of those simple blood-pressure testing machines which insurance, and other doctors apply to the forearm. The racketeer bought this machine, then made a chart of average blood pressures according to age. Next, he hung out a sign reading: "Blood pressures taken, only $1." He did a roaring trade. Everyone is interested in their blood pressure. Medical authorities tried to stop the racket, but the practitioner was within the law.

* * *

Fake Healers

A NEW approach for an old racket comes from Montreal where a resident is minus one watch as the result of placing too much belief in a fake cure for kidney trouble. The sufferer was recently approached by one who claimed to be an agent selling vacuum cleaners. During the discussion the agent claimed to have supernatural powers and to be possessed of a panacea which would cure all ills.

Persuaded by the pseudo-healer, the Montrealer agreed to take the "cure." The agent placed a rosary about his neck and, muttering some incantation, passed his hands over the man's body. The next step was to leave for a church where the "healer" left to secure some candles while the Montrealer visited the Stations of the Cross. The "healer," of course, did not return. He had the man's watch.

The same racket was worked recently in Montreal where a woman suffering from rheumatism sought relief from a sewing machine salesman. The man, to rid her of her ailment, passed a rosary through a wedding ring. The woman no longer has her ring but still has her rheumatism.

* * *

False Fraternal Credentials

OUTBREAK of a "fraternity" racket, with lodge members made the swindle victims of impostors, has led to a warning being issued by officials of some leading associations in London, Ont.

In a current circular published by the head office of one of the most prominent orders in Western Ontario, the following notice is set forth: "You are warned not to sign or cash cheques for any member. Several impostors are going the rounds. If they call on you, refer them at once to your secretary, who will investigate."

Numerous cases have been uncovered where membership cards in this particular order have been stolen or obtained in some other illegal manner, the name skilfully removed and another inserted. Men holding these cards then make their appeal to bona fide members of the organization to "help them out of a tough spot" on a basis of common fellowship.

This is a game that is not new to fraternal societies. It was fairly rampant several years ago, and after being stamped out in a fairly effective manner, has broken out again, and is now more widespread than ever.—London Free Press.

Our February Booklet

Contains a diversified list of offerings of Canadian Government, Municipal and Corporation issues.

This booklet also contains a brief reference to the recent Dominion-Provincial Conference at Ottawa.

Copies upon request.

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto

DRURY & THOMPSON

MEMBERS

MONTREAL STOCK EXCHANGE—MONTREAL CURB MARKET

360 St. James Street, Montreal - HArbour 1254

Branch Office:

52 BROADWAY, NEW YORK, N.Y.

ON GUARD

National Trust Company
Limited

Balance Sheet, 31st December, 1933

ASSETS

CAPITAL ACCOUNT:			
Office Premises and Safe Deposit Vaults at Toronto, Montreal, Hamilton, Winnipeg, Saskatoon and Edmonton		$1,068,114.30	
Real Estate held for sale under mortgage foreclosure		1,132,125.50	
Rents due and accrued		4,320.07	
Mortgages and Agreements for Sale:			
Principal	$2,748,377.53		
Interest due and accrued	154,297.83		
		$2,902,675.36	
Loans on Bonds and Stocks		90,394.50	
Securities:			
Dominion of Canada and Provinces of Canada	$111,093.47		
Canadian Municipalities	36,823.99		
Other Bonds and Debentures	147,247.50		
Interest accrued	2,691.32		
		$297,856.28	
Stocks		560,062.12	
Advances to Estates, Trusts and Agencies		186,019.15	
Cash on Hand and in Banks		145,359.52	
			$6,386,926.80
GUARANTEED TRUST ACCOUNT:			
Mortgages:			
Principal	$11,775,311.38		
Interest due and accrued	610,586.43		
		$12,385,897.81	
Loans on Bonds and Stocks		176,694.79	
Securities:			
Dominion of Canada and Provinces of Canada	$6,681,993.12		
Canadian Municipalities and School District Debentures	2,623,204.48		
Other Bonds and Debentures	988,554.63		
Interest accrued	112,925.71		
		$10,406,677.94	
Stocks		114,860.00	
Cash on Hand and in Banks		1,324,634.37	
			$24,408,764.91
ESTATES, TRUSTS AND AGENCY ACCOUNT:			
Funds and Investments		$243,701,383.52	
			$243,701,383.52
			$274,497,075.23

LIABILITIES

CAPITAL ACCOUNT:			
Capital Stock, subscribed and fully paid	$3,000,000.00		
Reserve Fund	3,000,000.00		
		$6,000,000.00	
Dividend No. 136 payable Jan. 2, 1934		60,000.00	
Mortgages in Process of Completion		101.33	
Reserve for Dominion Income Tax		28,715.37	
Profit and Loss		298,110.10	
			$6,386,926.80
GUARANTEED TRUST ACCOUNT:			
Trust Deposits		$18,709,512.21	
Guaranteed Trust Certificates		5,699,252.70	
			$24,408,764.91
ESTATES, TRUSTS AND AGENCY ACCOUNT:			
Estates, Trusts and Agencies		$243,515,364.37	
Due to Company for Advances to Estates, Trusts and Agencies		186,019.15	
			$243,701,383.52
			$274,497,075.23

PROFIT AND LOSS ACCOUNT

For Year Ending 31st December, 1933

Balance 31st December, 1932	$286,695.16
Net Profits for the year after deducting cost of Management, Directors' and Auditors' Fees, Contingencies, etc.	342,027.59
	$628,722.75
APPROPRIATED AS FOLLOWS:	
Quarterly Dividends:	
Nos. 133 to 136, inclusive, at an average rate for the year of 8½%	$255,000.00
To provide for Dominion, Provincial and Municipal Taxes other than taxes on Real Estate	75,612.65
Balance Carried Forward	298,110.10
	$628,722.75

BOARD OF DIRECTORS:

Chairman of the Board: Sir Joseph Flavelle, Bart.

President: W. E. Rundle

Vice-Presidents: E. R. Wood, Herbert C. Cox, Leighton McCarthy, K.C.

The Right Honourable Sir Thomas White, K.C.M.G.

H. B. Walker	Edward FitzGerald	Walter Molson
H. J. Fuller	Carl Riordon	William Leggat
W. M. Birks	W. H. McWilliams	James A. Richardson
E. M. Saunders	George W. McLaughlin	J. A. McLeod
Sir John Aird	W. G. Morrow	G. A. Morrow
Harrington E. Walker	F. F. Dalley	G. H. Levy, K.C.
Miller Lash, K.C.	Thomas C. Haslett, K.C.	A. N. Mitchell
A. McT. Campbell	D'Arcy Martin, K.C.	Frank P. O'Connor
George W. Allan, K.C.	C. S. Wilcox	E. G. Long, K.C.

A copy of the Proceedings at the Annual Meeting of Shareholders will be mailed on request.

Insurance for Buyer and Seller

ONT. FIRE WASTE LOWEST RECORDED SINCE 1917 TOTAL

Number of Fires Slightly Higher Than in 1932

Although the number of fires in Ontario showed a slight increase of 50 over 1932, fire losses in 1933, at $11,250,151, were the lowest since 1917, according to figures published by the Ontario Fire Marshal this week. Total losses were over $4,200,000 less than in both 1932 and 1931. In 1933, over 87 per cent was covered by insurance as against 88 per cent in 1932.

There was an increase in the number of dwelling and factory fires in 1933 as compared with the previous year but in every classification the fire waste was considerably reduced. The largest decline in fire loss took place in the stores grouping where 1,171 store fires resulted in losses of $2,088,000 as compared with 1,257 fires with waste of $3,118,000 in 1932.

Big Loss From Dwelling

Comparative figures analyzing four chief classes of risk follow:

Four Leading Classes of Fire Loss in Ontario

	1933 No. of Fires	1933 Loss $	1932 No. of Fires	1932 Loss $
Barns	793	1,614,679	865	1,997,095
Dwellings	11,971	3,081,689	11,684	3,924,176
Stores	1,171	2,087,827	1,257	3,117,898
Factories	428	1,451,829	375	1,887,891
Total (all classes)	15,912	11,250,151	15,862	15,466,070

Fire loss in December, figures show, declined by $991,355 as compared with December, 1932, although there was an increase of 130 in the number of fires reported. Nearly $900,000 was covered by insurance. The largest loss was the result of fire at Creeds Ladies' Wear on Bloor Street, Toronto, the estimated waste being placed at $150,000.

EXCELSIOR LIFE TOTAL BUSINESS NOW $90,000,000

New Business Issued in '33 Amounted to $14,758,000 — Reserves Gain

Maintenance of new underwriting and business in force in 1933 at within 5 per cent of the 1932 total is reported in the annual statement of the Excelsior Life Insurance Co. New insurances issued and revived amounted to $14,758,000 while total business in force at the end of 1933 was $90,000,000.

Total and premium income were maintained within $100,000 of last year's figure but payments to policyholders and their beneficiaries were higher by $330,000 due largely to increased demand for cash surrender values and higher payments on account of matured endowment and investment policies. Of total payments to policyholders, 78.8 per cent were made to living policyholders and the remainder in death claims.

Total assets are higher at $19,230,000. Of this total 47.5 per cent is in bonds and debentures; 21.3 per cent in first mortgages; 21.9 per cent in policy loans. The company reports that out of 1933 surplus earnings, $100,000 has been used to write down the value of western mortgage loans and real estate; $50,000 written off the value of the head office building and $100,000 added to reserve for depreciation in investments and contingencies, bringing this latter fund to $700,000 at the end of the year. Free surplus is slightly higher at the year-end at $1,530,800.

Comparative figures follow:

	1933 $	1932 $
New Ins. Issued*	14,758,083	15,486,433
Bus. in Force	90,082,416	94,631,095
Income and Disbursements		
Net prem. Inc.	2,630,945	2,763,258
Total Income	3,591,250	3,694,428
Death claims	515,898	510,012
Total to Policyholders	2,427,902	2,094,574
Interest Earnings	5.36%	5.45%
Assets & Liabilities		
Total Assets	19,230,066	19,019,349
Bonds & Debs.	8,719,674	8,219,700
Policy loans	4,022,555	4,021,302
First Mortgages	3,916,905	4,122,449
Policy Reserves	15,916,128	15,847,291
Inv. Reserve	700,000	600,000
Free Surplus	1,530,818	1,505,140

* Including revivals.

More Business Issued in '33 By Monarch

Gains in income and new business issued are shown in figures issued this week by Monarch Life Assurance Co. covering its 1933 annual report.

New business issued totalled $8,825,000 as compared with $7,964,900 a year ago. Business in force at the end of the year has declined, however, from $56,346,000 to $52,600,000.

Assets are higher at $10,861,000 with security holdings reported as being valued at $30,000 below amounts authorized by the federal insurance department. Special surplus and reserve funds are placed at $1,142,000 as compared with $1,045,000 last year. Thus total includes investment reserve of $200,000, and free surplus of $438,000. A year ago investment reserve was $150,000 and free surplus at $450,000.

Comparative figures follow:

	1933 $	1932 $
New Business Issued	8,825,554	7,964,897
Insurance in Force	52,602,206	56,346,809
Total Income	2,303,701	2,232,714
Paid to Policyholders & Beneficiaries	1,385,534	1,186,859
Assets	10,860,770	10,692,563
Policy Reserves	9,118,503	8,165,870
Special Surp. & Reserve Funds	1,141,938	1,044,673

Licenses Issued

The London Assurance has been granted a certificate of registry authorizing it to transact, in Canada, the business of fire, automobile, explosion, inland transportation, sprinkler leakage and tornado insurance, and insurance against loss or damage to property other than growing crops by hail.

Summary of Agreement To Buy Out Partner

Liquidation of Interest in Unincorporated Partnership No Place for Amateur Executors — How to Get Full Value

By R. M. HAULTAIN

This article examines the problems confronting the family of a deceased partner in an unincorporated partnership, also the preventive solution.

The preceding article of this series summarized the courses of action open to the surviving partners.

A partner dies. The partnership is automatically dissolved and the surviving partners find themselves in the position of liquidating trustees of the deceased's interest if no special arrangements have been made beforehand.

Family's Problems

The deceased's family are then faced with the following situation:

1. The executors are held up on distributing the estate waiting until the surviving partners complete the liquidation, final accounting, and settlement of the deceased's interest;

2. As the surviving partners may not involve the business in further commitments, any advances they make to the deceased's family for maintenance must be personal advances by the partners;

3. The executors have no power during this period to withdraw any money from the business for the maintenance of the deceased's family;

4. The executors do not know in the interim what proportion of the value of the deceased's interest will be salvaged through sale or liquidation;

5. If the partners wish to keep the business going by purchasing the deceased's interest themselves, the executors must negotiate the best terms possible under the circumstances. A cash sale at a reasonable price is usually impossible and the terms finally arranged are seldom pleasing to the deceased's family;

6. If the surviving partners decide to look for an outside buyer, the executors' hands are tied in expediting matters unless it can be proved to the court that the survivors are unreasonably dilatory;

7. When the final settlement is received, the deceased's family are usually appalled at the shrinkage compared with their previous ideas of the firm's worth.

These facts indicate some of the difficulties confronting amateur executors. The business or professional man who has once acted as an executor because of an appointment by an admiring friend or relative usually says, "Never again!" A woman acting as sole executrix of her husband's estate, where an interest in a trading partnership is involved, faces many tribulations if no professional executors have been appointed to whom she can turn for guidance.

What, then, is the practical method of converting to cash the deceased's interest, at full value?

The Solution

1. A will, appointing executors experienced in procedure.

2. A pre-arranged written agreement between the partners, transferring automatically to the survivors, the interest of the first to die, on a stated valuation method.

Financing the Agreement

The most workable and economical method of providing the money necessary for the purchase of the deceased's interest has been found to be partnership insurance. The agreement should be constructed round the life insurance policies and should be put into final legal form.

Contents of Agreement

What points would the agreement cover?

Each case will have its own special points, but the following agreement skeleton contains the basic essentials:

Clause 1. Purpose of agreement and insurance policies which finance agreement. Description of policies.

Clause 2. Responsibility for premium deposits.

Clause 3. Appointment of corporate trustee who can be counted upon to be on hand when required. Trustee's consent to safeguard assignments, make impartial valuation of deceased's interest when called upon, to collect and disburse insurance monies, and to carry out all terms of agreement.

Clause 4. Method of valuation of deceased's interest.

Clause 5. Method of valuation of goodwill.

Clause 6. Method of payment of balance of purchase price, if any, not paid by insurance monies.

Clause 7. Disposition of policies affected in event of partner withdrawing.

Clause 8. Disposition of policies in event of dissolution of partnership.

Clause 9. Agreement to be amended or voided by mutual consent.

Clause 10. Cash, loan and dividend values of policies available to partnership for emergency purposes by mutual consent.

Clause 11. Commitment of surviving partners to buy and of executors to sell business interest as defined.

Guaranteed Market

As soon as partners have underwritten each other's business interest and have signed a friendly agreement of the type outlined above, they know that each one has created a guaranteed quick cash market, at full value, including goodwill, for his business interest. Each man knows exactly what money his estate will have for the purchase of trustee securities, and can tell with a reasonable degree of accuracy what income his family will have to live on should they be deprived of his earning power.

Each man knows also that should he be the survivor he will not be forced to liquidate but will automatically take over his partner's interest. He will have the satisfaction of seeing his late partner's family get full value by this method whereas the chances are that he would have great difficulty in paying them a reasonable price if he had to do so out of his own personal resources, or if he had to mortgage future earnings for the purpose of any new partnership he might form in the effort to keep the business going.

Objects Accomplished

The facts summarized in this and the preceding article of this series show why the Business Life Insurance Trust Agreement is the ideal financial instrument for accomplishing the following purposes in the unincorporated partnership. (Previous articles dealt with its place in the private company.)

1. Stabilization of credit;
2. Construction of depression-proof reserves;
3. Purchase of partner's interest at his death;
4. Conversion to cash at full value of one's own business interest at death;
5. Retirement from firm with liquid cash when time comes;
6. Continuity of management in firm;
7. Safeguarding of own and employees' livelihood.

This is article eight of the second series of Business Insurance, written for The Financial Post by R. M. Haultain. The next article of this series of eighteen will consist of questions asked on Partnership Insurance and the answers.

(All rights on these articles reserved. Reprints—five cents each postpaid. Special price on quantity orders. Write The Financial Post, 481 University Ave., Toronto.)

Business Insurance May Save You Millions

Under the terrific strain of the past few years over 8,000 companies with estimated assets of over $15,000,000 have gone into bankruptcy, according to federal government records.

Many of these business tragedies could have been avoided if proper means had been taken to build a financial bulwark to withstand the heavy seas of a depression era.

Believing that constructive measures can be taken by the private company, the partnership and the sole ownership business to guard against such contingencies, The Financial Post is continuing this week a series of articles by R. M. Haultain showing the value and function of business insurance in this type of situation. They are the first constructive attempt to cover this very important subject from a purely Canadian point of view.

The eighth article in Mr. Haultain's second series is published herewith; reprints of previous articles may be obtained on application to The Financial Post.

The WESTERN EMPIRE Life Assurance Company
Head Office: WINNIPEG

Will Amend Ontario Succession Duty Act

Rumors that a new Succession Duty Act for Ontario would be introduced at the forthcoming session of the provincial legislature are without basis according to treasury officials of the province. Several new amendments will be made to the act, however, and the numerous amendments of the past few years will be consolidated.

Details of the new amendments that are proposed will not be available for several weeks but it is understood that similar amendments will also be made in the Succession Duties Acts of several other provinces, an outcome of the conference of provincial representatives held last fall in Winnipeg. The object of the amendments will be to strengthen the respective acts and arise as a result of the decision of the Privy Council against the Province of Alberta in the Kerr case.

Established 1869
Strength• Stability•
Assurances in Force (Dec. 31, 1932) $517,967,974.00
Assets $132,198,392.72
Surplus Funds and Contingency Reserves, $11,853,105.72.
A Purely Mutual Company
Every dollar of surplus earnings belongs to policy-holders and is either actually paid or allotted as cash dividends or held in trust for future distribution.
THE MUTUAL LIFE Assurance Company OF CANADA
HEAD OFFICE - WATERLOO, ONT.

Trade Paper Seeks Light On Retail Fire Insurance

Claims "Financial Allowances" to Trade Associations Not in Policyholders' Interests

A strongly-worded demand that retail merchants' associations throughout Canada come out into the open in respect of the contracts they make for their members with fire insurance companies is contained in the current issue of Hardware and Metal, Toronto. The article comes as a result of the recent switching by the Ontario Retail Merchants' Association of its insurance sponsorship from the Northwestern Mutual Fire Association to another company.

The allegation in the article is that the chief cause of trouble in the switching of this business from one company to another is the "financial allowances," which the insurance companies give the trade association in return for official sponsorship. It is indicated that it has been the practice of the provincial trade bodies to seek financial "allowances" from the fire companies, "ostensibly for field work, promotional activities, etc., secured by some trade association officials for use by the officers or in the offices of the association." These allowances are quite apart from the discount or rebate paid to policyholders by the insurance company.

Think Airing Necessary

Hardware and Metal thinks the whole subject is badly in need of an airing and cites also the break, for an apparently similar reason, which occurred between the Saskatchewan Retail Merchants' Association and the Northwestern Mutual.

After reviewing the various events which have lead up to the situation the article says, in part:

"This brings up the question which has been much in the minds of some retailers for some time past, as to the advisability of trade association officials having arrangements with fire insurance companies for extra allowances, that may or may not be common knowledge to the membership of such organizations. Where periodic financial statements are provided to the memberships of trade associations there can, of course, be no suggestion that those associations were using the funds for any other than perfectly legitimate purposes, but by having such arrangements for an income of which probably a considerable proportion of the membership have no direct knowledge, are officers of such associations not leaving themselves open to embarrassing suggestions that might have no foundation of fact?

Income Should Be Earmarked

"Would it not be more in their interests and in the interests of their association members if such income was clearly earmarked as such, in regularly published financial statements showing income together with details of disbursements for the purpose for which the insurance company's grants were intended? Would it not be better practice for the full amount which insurance companies can rebate to association members, to be paid directly to the members? Some companies follow the latter plan entirely in dealing with trade association members.

"Some associations get all the advantages they can for their members. On the other hand, there are associations which secure for their members certain rebates from insurance companies, but which apparently make additional demands from such companies for other purposes and not for the purpose of increasing the rebate to the insuring members of the organization. There is a very grave doubt as to whether this latter plan is good business and whether it is carrying out the true function for which retailers originally banded themselves together in association.

What is "Dealer's Interest?"

"What is the dealer's interest in mutual insurance? Is it in what he can secure as a safe rebate from a dependable company, or is it in the matter of how much his trade association officers can wheedle from the insurance company in extra allowances in return for the association's sponsorship? The retailer in placing his fire insurance wants, above all else, a safe company to carry his risk. He wants a company that will settle losses promptly and he wants the lowest net rate he can possibly get commensurate with safety. The membership of an association should know that their officers have fully taken all these points into consideration in switching sponsorship to a different fire insurance company and be satisfied that the switch was not made on any other basis that would reduce these considerations below the important level which they deserve.

Proposition Should Be Clear-cut

"The proposition of an insurance company should be clear-cut and be fully placed before the members of an association with whom they are identified. Some trade associations have followed the plan of inviting their insurance company's representatives to make personal reports each year at the retailers' conventions and to be present to answer questions concerning their administration. In those cases, as a rule, the fire insurance company's full and complete rebate or discount goes directly to the retailer policyholders. There is nothing in the way of private arrangements with the officers of the association and in such a clear-cut proposition there can be no possible grounds for reflection upon the administration of the trade association or the use of funds. The members of such associations have felt that when they paid their fees and received assurance of the very best in insurance service, they were entitled to a full and complete knowledge of all financial arrangements as between their association and the insurance company concerned.

"There is need for a good, sound association of retailers that could be representative of the entire country, but the most representative retail organizations in Canada exist in individual trades not connected in any way with general groups. The latter are generally composed of a smattering of merchants in various trades where interests are very different and spread so thinly over a wide area that with few exceptions, co-ordinated effort on matters of prime importance to any one trade is very difficult of accomplishment. It is more than ever necessary, to the maintenance of proper confidence, that such organizations make regular and clear cut statements of their position with regard to receipts and disbursements, source of all income, and that members be given regular opportunity to express themselves in regard to election of officers and on important matters of policy."

N. B. OFFICIAL RAISES QUESTION OF JURISDICTION

Thinks Need of Insurance Department in Province Debatable

Government supervision of insurance is more desirable than government regulation, according to R. P. Hartley, K.C., deputy attorney-general of New Brunswick. Mr. Hartley recently addressed the Life Underwriters' Association of Saint John and gave it as his opinion that "there should be no regulation of insurance except in regard to matters in which the public is vitally interested, or in regard to other matters when the companies asked for it."

In respect of jurisdiction, Mr. Hartley referred to the Privy Council decision of 1933 and declared that "nothing has yet happened by virtue of which the question has been finally determined. If the provinces accept jurisdiction and the Dominion relinquishes its present position, under which it asserts that it still has jurisdiction, it will be necessary for this province to set up a department of insurance. Whether we really need, in this province, the governmental supervision that a department of insurance would necessarily give, is a debatable question upon which I am expressing no view at the present time."

No Official Appointment

Referring to his own connection with the insurance business, Mr. Hartley said:

"If you were to ask me what my official position was in connection with insurance in this province," he continued, "it would be a difficult question for me to answer. I have no official appointment, but I was designated, as deputy attorney-general, to supervise the carrying out of the regulations passed two years ago by the government in reference to the Uniform Automobile Insurance Act. Since then, I suppose it has been because I have assumed the responsibility, been willing to do the work, and have been connected with the association, that insurance matters have just naturally drifted to my desk."

PERTH MUTUAL CUTS UNDERWRITING LOSS

Results in 1933 Show Loss Ratio 59.7 Per Cent

While increasing investment reserves by $25,000, the Perth Mutual Fire Insurance Co. has added slightly over $10,000 to surplus as the result of operations in 1933. Total assets are increased by $27,000 over 1932, bonds and debentures and cash on hand and in banks sharing the increase.

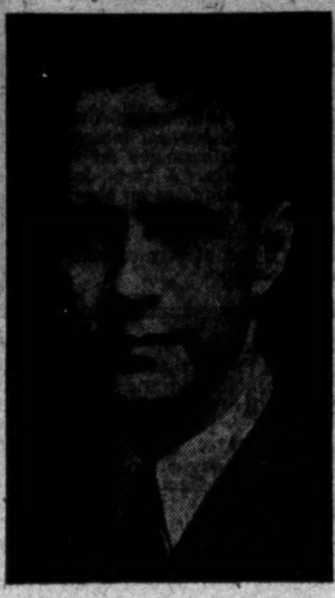
Net premiums earned in 1933 totalled $201,061 and losses incurred amounted to $119,944 making the loss ratio one of 59.7 per cent. These figures compare with net premiums earned of $213,723, net losses incurred of $139,762 and a loss ratio of 65.3 per cent. There was an underwriting loss of $19,285 as compared with a loss of $22,307 in 1932. Rents, interest, etc., changed this to a net profit of $36,830 as compared with $40,207 in 1932.

Chief change in the investment portfolio of the company from 1932 is an increase in the amount of Dominion and provincial bonds held. Canadian municipal bonds show the largest decrease.

G. G. McPherson, president of the company, in a statement included with the financial report for the year ended Dec. 31, 1933, states, in part, as follows:

"While there was a slight improvement in general business conditions during the year just closed, the fire loss remained heavy. Losses on farm property continued serious and your directors and management have greatly curtailed the amount of this business written."

Leads Continent



KENNETH G. BROWN

Canada Life representative at Hamilton, who led the entire field force of the company in Canada and the United States in volume of business done last year.

Mr. Brown has specialized in the life insurance trust and in wills and estates problems.

MARITIME LIFE MAINTAINS SALES

Business in Force Now Totals $12,217,000 — Assets Higher

Maintenance of new business issued, at close to the $2,000,000 mark for 1933, is reported by the Maritime Life Assurance Co. in its report submitted at the company's annual meeting last week. Business in force now totals $12,217,000—only a slight decline from the corresponding figure of a year ago.

Assets are 12 per cent higher than in 1932 at $1,498,000 and the company reports that an even higher percentage of the total is now invested in the highest grade of government, guaranteed and municipal bonds.

The company shows surplus available for protection of policyholders (inclusive of capital stock) at $345,130 but a deduction of $94,547 is necessary to bring investments into line with values authorized by the federal insurance department. After making the deduction, free surplus over all liabilities totals $583 as compared with a debit item a year ago of $8,655.

Comparative figures for the past two years follow:

	1933 $	1932 $
New Ins. Issued†	1,915,083	2,146,114
Bus. in Force	12,217,321	12,313,901
Premium Income	322,506	320,527
Interest Income	63,757	58,989
Policy Payments	36,843	51,132
Policy Reserves	1,129,803	994,224
Assets	1,497,834	1,337,367
Free Surplus	583	8,655

† Including revivals.

Saint John Port Work

Addressing the Rotary Club at Saint John, Alex. Gray, general manager and chief engineer of the Saint John Harbor Commission, said that about $15,000,000 had been spent on harbor development at this port since 1927 and that plans for further expansion in the near future were being studied.

Better Year In Industrial Seen For 1934

That the volume of industrial insurance written in Canada was well-maintained but that lapses of business in force continued heavy in 1933, is indicated by results of two leading companies writing in this field last year.

From the Metropolitan Life, The Financial Post learns that new policies issued and revived were 3.25 per cent greater than in 1932, while figures issued recently by the London Life showed a 4.4 per cent decline.

Both companies report a heavy drain by way of lapses, the Metropolitan showing an even higher lapsation (in number of policies) than last year. London Life industrial business in force declined at the end of the year to $151,158,000, as compared with $154,479,000 at the end of 1932.

With the definite upturn in employment of recent months, both companies look for an improvement in 1934, not only in new business but also in a reduction of cancellations.

PROTECTION
THE ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO
The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

New Life Insurance Written during 1933
$426,000,000
This is evidence of the public's recognition of the Stability, Security and Service of
THE PRUDENTIAL ASSURANCE COMPANY LIMITED, OF LONDON ENGLAND
LIFE - FIRE - CASUALTY
Head Office for Canada, Montreal

A RECORD OF PROGRESS
SUMMARY OF ANNUAL REPORT
New Business Issued - - $ 8,825,554.00
Insurance in Force - - - 52,602,206.00
Total Income - - - - 2,303,701.00
Paid to Policyholders and Beneficiaries - - - 1,385,534.00
Assets - - - - - - 10,860,770.00
Policy Reserves - - - 9,118,503.00
Special Surplus and Reserve Funds - - - - - 1,141,938.00
Surplus earnings for the year were increased.
The Company's exceptional record for low mortality has been continued.
Expenditures have again been reduced.
Assets were valued conservatively below amounts authorized by Dominion Department of Insurance.
E. J. TARR, K.C., President
J. A. MACFARLANE, A.I.A., General Manager
THE MONARCH LIFE ASSURANCE COMPANY
Commenced business—1906
HEAD OFFICE - WINNIPEG

PILOT POLICIES PROTECT
PILOT INSURANCE COMPANY
Automobile, Fire, Accident, Burglary, Plate Glass, Liability Insurance, Fidelity and Surety Bonds
International Claim Service on Automobile Policies
Inquiries for Agencies Invited
HEAD OFFICE: 159 BAY ST., TORONTO
Norman G. Duffett, Vice-Pres. and Gen. Mgr.
T. W. McIntosh, Supt. of Agencies
A STRONG CANADIAN COMPANY

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES: Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, St. John, Halifax
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30%

GREAT-WEST LIFE AGAIN INCREASES DIVIDENDS TO POLICYHOLDERS
New Business Issued Shows Gain Over Previous Year
Company In Strong Position
Surplus materially increased after rigorously writing down doubtful assets. Expenses reduced. Favorable Mortality Rate continued.
Insurance in Force $552,294,135
New Business Issued 54,230,719
Total Income 26,550,844
Payments to Policyholders and Beneficiaries 21,867,679
Surplus Earned 5,165,772
Assets 134,762,165
Policy Reserves and Other Liabilities 128,527,215
Contingency Reserve, Surplus and Capital 6,234,950
A Well-Balanced Investment Portfolio:
Bonds and Debentures 35.6%
City Mortgages and Properties 22.6%
Policy Loans 22.1%
Farm Mortgages and Properties 13.3%
Stocks, Common and Preferred .4%
Cash and Miscellaneous 1.0%
100%
During 1933 the large sum of $4,144,383 was paid as profits to policyholders and the Company has announced an increase in the profit scale for 1934.
THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG, CANADA

Bank Chat on Current Topics

Big Banks Fail In U. S.

THE year 1933 witnessed the suspension of 3,563 banks in the United States with more than $2,500,000,000 of deposit liabilities thrown into liquidation. The events of the year proved that not alone are the small banks vulnerable for 17 out of the 200 largest banks in the United States failed to reopen with their competitors after the bank holiday. These 17 banks had deposits of $1,343,602,000 at the end of 1932 and therefore accounted for more than half of the deposits tied up in suspended banks. The amount of deposits in smaller banks that had to suspend operations as a result of the suspension of the larger banks will probably never be known.

The American Banker in commenting on these figures makes the point that the Government policy of supporting the large banks not only failed but was wrong from the first. To support the large banks it was necessary to allow thousands of small banks to fail.

At the present time two major methods are being used to rehabilitate the banking system of the United States and restore full confidence to depositors. The purchase by the Reconstruction Finance Corp., of preferred stock issued by the banks is designed to give additional liquidity while the scheme of deposit insurance will have a psychological effect on depositors. Both measures have had their share of sharp criticism from bankers and financial men and the present year will be a testing period that should determine their worth.

* * *

Congratulations Are in Order

THE appointment of Samuel John Moore as chairman of the board of directors of the Bank of Nova Scotia, the accession of J. A. McLeod to the position of president of the bank and the elevation of H. F. Patterson to the position of general manager brings advancement for a number of senior executives and is just cause for the congratulations that are being extended from associates and acquaintances in banking, financial and industrial circles. To Mr. McLeod goes the honor of being the first general manager of the bank to be honored by the presidency. That this is signal honor is attested by the fact that the bank was incorporated in 1832. Mr. McLeod was also the first official of the bank to attain the presidency of the Canadian Bankers' Association, a post relinquished but recently after two years of strenuous activity that culminated in the briefs submitted to the Royal Commission on Banking and Currency.

Harry F. Patterson, the new "G.M.," has a reputation for honesty and fair dealing whether it be with his staff or clients of the bank. Even-tempered, approachable, efficient; a banker of the new school though schooled in the old ways; Mr. Patterson is not alone to be congratulated on his appointment. Both shareholders of the bank and members of the staff are also to be congratulated on the choice of the new head of staff.

STAFF CHANGES

The Bank of Montreal announces the following staff changes:

S. N. HOGG, has been transferred from Montreal to become accountant at Winnipeg.

A. MACPHERSON, accountant at Winnipeg, moves to Regina as assistant manager.

M. HUNTER, assistant manager at Regina, is transferred to Winnipeg as assistant manager.

H. MACKAY, superintendent's department, Vancouver, has been appointed manager at Pender and Columbia Sts., Vancouver, succeeding H. J. Oldaker.

H. J. OLDAKER has been appointed assistant manager at Calgary, succeeding L. Clark.

L. CLARK has been appointed assistant manager at Vancouver.

S. L. PEPPLER, Belleville, goes to Manitowaning as manager.

W. B. A. CROSS, manager at Manitowaning, has been appointed manager at Hensall.

L. R. COLES, manager at Hensall, becomes manager at Listowel.

G. LAWSON, manager at Fredericton, has been appointed manager at Saint John, N.B.

Following closely on the appointment of J. A. McLEOD, as president, and HARRY F. PATTERSON as general manager, of the Bank of Nova Scotia, announcement is made of important changes in staff, as follows:

A. McD. McBAIN is now manager of the Foreign Relations Department.

F. J. FINLAY and A. MacRAE become assistant inspectors.

W. T. THOMPSON is appointed assistant manager of Toronto branch succeeding K. S. Russell.

K. S. RUSSELL goes to Renfrew, Ont., as manager. The Renfrew district was an important sector of the old Bank of Ottawa's operations and has continued to be since that bank was merged with the Bank of Nova Scotia.

H. J. C. McINTYRE has been appointed manager at Hillsborough, N.B.

ROYAL BANK OF SCOTLAND

(Incorporated by Royal Charter, 1727)

Capital (fully paid) £ 3,780,192
Reserve Fund ..... £ 3,780,926
Deposits £59,257,330

General Manager
William Whyte

TRADE WITH GREAT BRITAIN

The ramifications of the Bank throughout Great Britain and the entire World enable it to handle every description of British, Colonial and Foreign Banking business.

LONDON — *City Office:* 3 Bishopsgate, E. C. 2

Head Office: EDINBURGH

252 BRANCHES IN ALL

Associated Bank: Williams Deacon's Bank Ltd.

(Members of the London Bankers' Clearing House)

Current Events in Banking World

HURON & ERIE CAPITAL EARNED 7.06 P.C. IN 1933

$800,000 Added to Inner Reserves — Liquidity is Unchanged

Earnings of Huron & Erie Mortgage Corp. in 1933 equalled 7.06 per cent on paid-in capital of $5,000,000 after increased provision for depreciation on premises. In 1932 the company earned 8.09 per cent on capital. Dividends paid during 1933 amounted to 6½ per cent, the dividend rate having been reduced from 7 per cent to 6 per cent. Moderate decrease in deposit liabilities and in currency debentures outstanding was partially offset by increase in sterling debentures. Internal reserves were increased by $800,000 through a transfer from capital reserve which leaves the latter at $2,000,000.

Liabilities to the public are shown at $38,755,601 as compared with $39,038,380 at December 31, 1932. Sterling debentures outstanding have been increased to $1,795,046 from $1,386,343; currency debentures are down to $27,375,550 from $27,726,740 and deposits are down to $8,958,935 from $9,327,304. Sterling debenture stock remains practically unchanged at $215,647 and debenture interest accrued amounts to $410,423.

Liquid Ratio is 49.8 Per Cent

Cash is slightly higher at $1,016,072 and holdings of Dominion and provincial bonds are up to $1,401,831 from $1,212,673. Investment in Dominion and provincial guaranteed bonds is down to $869,425 from $1,080,023 while investment in municipal debentures is down to $1,170,117 from $1,369,947. Ratio of liquid assets to deposit liabilities is 49.8 per cent, practically the same as in 1932.

Mortgages and agreements of sale are down to $36,365,989 from $37,159,714 while real estate held for sale is up to $422,311 from $304,444. Mortgage investments are diversified in Ontario and Western Canada but the majority of such loans have been made in Ontario, with Toronto the chief loaning field. Interest payments in recent weeks are stated to compare most favorably with payments during the corresponding period of 1932. Office premises are carried at $2,087,553. Investment in stock of Canada Trust Co. is carried at $1,561,780 and unrealized assets of the Peoples Loan & Savings Corp. amount to $1,012,989.

There has been no change in capital stock outstanding which remains at $4,000,000 of fully paid stock and $1,000,000 of partly paid. Record of the company during the past six years has been as follows:

Earnings Record

Year	Paid-up Capital	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1928	5,000,000	490,712	8	9.81
1929	5,000,000	507,088	8	10.14
1930	5,000,000	511,615	8	10.23
1931	5,000,000	400,490	8	8.01
1932	5,000,000	404,724	8	8.09
1933	5,000,000	353,334	6½	7.06

*After management expenses and all other charges, taxes, provision for actual losses, and amount written off office premises of $56,000 in 1933; $25,000, 1932; $50,000, 1931; $25,000, 1930; $23,508, 1929 and $15,083 in 1928.

Dividend rate reduced from 8% to 7% per annum, April 1, 1933.

Year	Total Assets	Reserve Funds	Liab. to Public
	$	$	$
1928	43,222,135	2,600,000	35,455,717
1929	43,913,042	2,700,000	36,039,536
1930	47,090,877	2,800,000	39,105,756
1931	47,806,697	2,800,000	39,821,086
1932	47,028,715	2,800,000	39,038,380
1933	45,949,270	2,000,000	38,755,601

Weekly Bank Clearings

	Jan. 25 1934	Change Year Ago	Jan. 18 1934
	$	%	$
Halifax ...	1,760,072	+18.4	2,055,391
Saint John .	1,238,413	− 8.2	1,656,885
Moncton ..	657,854	+20.0	605,555
Sherbrooke.	411,930	+ 1.1	465,482
Quebec	3,119,493	− 4.6	3,415,747
Montreal ..	83,364,670	−15.8	83,286,815
Ottawa ...	4,604,488	+51.4	4,125,054
Kingston ..	421,354	+ 5.3	440,137
Peterborough	515,487	+ 4.9	606,306
Toronto ...	142,591,830	+85.9	105,037,256
Hamilton ..	3,204,479	+17.3	3,018,331
Kitchener .	876,658	+32.8	905,835
Brantford .	656,100	+22.1	620,425
London ...	2,247,583	+13.4	1,856,751
Chatham ..	384,869	+16.2	441,310
Windsor ..	2,306,721	+30.5	1,873,238
Sarnia	379,030	+35.3	403,435
Sudbury ..	458,894	+31.8	526,727
Ft. William	408,020	+15.1	570,822
Winnipeg .	31,017,955	− 3.0	46,372,253
Brandon ..	241,766	+31.9	223,256
Regina	2,242,711	+ 0.5	2,313,910
Moose Jaw.	359,557	− 2.5	469,734
Saskatoon .	940,117	+ 8.7	1,024,688
Pr. Albert .	180,138	+13.7	229,615
Calgary ...	4,462,782	+26.8	4,187,364
Medicine Hat	167,579	+13.6	170,442
Lethbridge.	351,417	+40.6	415,463
N. W'minster	386,580	+29.9	354,576
Vancouver .	13,506,580	+35.7	13,782,783
Victoria ...	1,332,539	+12.2	1,456,943

Banks' Domestic Loans Increased in December

Deposits Slightly Higher — Advances Under Finance Act Are Reduced—Security Holdings Unchanged But Assets Abroad Are Lower

Increase in current loans, a comparatively small gain in holdings of Government securities and deposits and a decrease in holdings of specie, Dominion notes and advances under the Finance Act are the chief features of the monthly report of the chartered banks as at December 30 if figures are compared with those of the preceding month. With the reduction of liabilities to the Federal Government and increase in current loans there has been a reduction in strictly liquid assets.

The increase of $13,781,000 in current loans is in sharp contrast to the contraction in this item that took place in November and December of 1932 and the tendency of the banks to advance more loans of this character in the past few months is taken as an indication of improvement in business in Canada. Deposits showed a net increase of $1,499,000 during December with increase of $2,771,992 in demand deposits more than offsetting decline of $1,273 in savings deposits.

There was marked contraction in immediately available liquid resources although the gold reserve was increased by $4,150,000 and holdings of Government securities are up by $1,389,000. Holdings of specie dropped $5,878,000; Dominion notes, $15,974,000; foreign currency, $10,600,000; call loans abroad, $16,975,000 and balances with foreign banks, $16,136,000. Part of these reductions are the result of reducing Government advances under the Finance Act by $10,056,000 and balances owing the Federal Government by $10,949,000.

Domestic Loans Are Up

There was, however, a net increase of $29,433,000 in loans to domestic borrowers with current loans up $13,781,000 to $898,160,000; Canadian call loans up $686,000 to $105,950,000; provincial loans up $7,218,000 to $28,798,000 and municipal loans up $6,681,000 to $108,826,000. Loans abroad were increased by $2,818,000. Chief increase in other assets was decline of $1,957,000 in letters of credit.

Notes of the banks in circulation increased by $3,870,000 to $132,059,000. Government advances under the Finance Act are down to $50,388,000 from $60,444,000; balances due the Federal Government are down to $33,334,000 from $44,284,000 but balances due provincial Governments are up $27,913,000 from $23,665,000.

The composite statement of the Canadian chartered banks as at December 30 compared with that at November 30, 1933, and that of December 31, 1932, is as follows:

ASSETS

	Dec., 1933	Nov., 1933	Change	Dec., 1932	Change
	$	$	$	$	$
Immediately Available Liquid Resources					
Specie	49,914,262	55,792,741	−5,878,479	53,263,094	−3,348,832
Dom. notes	139,732,921	155,706,577	−15,973,656	153,181,279	−13,448,358
Gold reserve	17,781,732	13,631,732	+4,150,000	19,881,732	−2,100,000
Foreign banks	82,652,962	98,789,194	−16,136,232	112,686,908	−30,033,946
Foreign curr.	18,614,990	29,215,367	−10,600,377	17,941,291	+673,699
Gov't. secs.	651,068,470	649,679,244	+1,389,226	562,359,413	+88,709,057
Call loans ab'd. ...	90,071,910	107,046,997	−16,975,087	91,491,603	−1,419,693
	1,049,837,247	1,109,861,852	−60,024,605	1,010,805,320	+39,031,927
Loans and Securities Other Than Those of Canadian Government					
Pub. secs.	158,078,288	159,429,911	−1,351,623	166,958,673	−8,880,385
Railway secs.	51,859,393	52,258,531	−399,138	48,933,929	+2,925,464
Can. call loans	105,949,889	105,264,004	+685,885	103,204,389	+2,745,500
Current loans	898,159,673	884,378,313	+13,781,360	964,023,809	−65,864,136
Loans abroad	138,058,578	135,241,027	+2,817,551	151,661,262	−13,602,684
Prov. loans	28,798,480	21,580,099	+7,218,381	28,273,553	+524,927
Mun. loans	108,826,297	102,145,572	+6,680,725	111,569,810	−2,743,512
	1,489,730,598	1,460,297,457	+29,433,141	1,574,625,425	−84,894,827
Other Assets					
Non-curr. loans ...	13,231,466	12,849,348	+382,118	13,311,964	−80,498
Real estate	7,436,686	7,446,317	−9,631	7,481,430	−44,744
Mortgages	6,221,650	6,224,622	−2,972	6,387,717	−166,067
Premises	78,254,447	78,354,807	−100,360	78,702,197	−447,750
Lets. of credit	49,378,947	51,335,931	−1,956,984	42,634,870	+6,744,077
Loans to comp. ...	13,078,802	13,192,631	−113,829	13,170,620	−91,818
Other assets	1,500,328	1,577,836	−77,508	1,489,642	+10,686
	169,102,326	170,981,492	−1,879,166	163,178,440	+5,923,886
Total	2,708,670,171	2,741,140,801	−32,470,630	2,748,609,185	−39,939,014
Note cir. dep.	6,503,388	6,497,182	+6,206	6,602,452	−99,064
Int. bank bal.	100,579,245	94,849,787	+5,729,458	96,875,276	+3,703,969
Gross	2,815,752,804	2,842,487,770	−26,734,966	2,852,086,913	−36,334,109

LIABILITIES

	Dec., 1933	Nov., 1933	Change	Dec., 1932	Change
To the Public					
Circulation	132,058,957	128,189,306	+3,869,651	127,074,824	+4,984,133
Dom. Gov't.	33,334,492	44,283,800	−10,949,308	53,107,707	−19,773,215
Prov. Gov't.	27,912,951	23,665,146	+4,247,805	18,933,416	+8,979,535
Gov't. advances ...	50,388,000	60,444,000	−10,056,000	56,988,000	−6,600,000
Deposits by Public					
Demand dep.	501,870,943	499,098,951	+2,771,992	466,212,767	+35,658,186
Savings dep.	1,356,916,826	1,358,189,789	−1,272,963	1,377,520,115	−20,603,289
Total	1,858,787,769	1,857,288,740	+1,499,029	1,843,732,882	+15,054,887
Foreign dep.	322,186,867	319,543,864	+2,643,003	328,725,094	−6,538,227
Due to Banks Abroad, Etc.					
United Kingdom ..	4,959,293	12,613,282	−7,653,989	7,426,767	−2,467,474
Foreign	33,430,138	44,294,021	−10,863,883	41,371,955	−7,941,817
Bills payable	564,999	1,285,299	−420,300	627,187	+237,812
Lets. of credit	49,378,947	51,335,931	−1,956,984	42,634,870	+6,744,077
Other liabs.	2,388,592	2,276,339	+112,253	2,609,076	−220,484
Total public liab. .	2,515,691,005	2,545,219,728	−29,528,723	2,523,231,778	−7,540,773
Due bet. banks	13,048,033	8,807,303	+4,240,730	12,319,732	+728,301
Liability to Shareholders					
Dividends	626,338	2,456,751	−1,830,413	706,013	−79,675
Reserve	132,500,000	134,500,000	−2,000,000	162,000,000	−29,500,000
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,806,365,376	2,835,483,782	−29,118,406	2,842,757,523	−36,392,147
Credit index*	54.0%	53.2%	+0.8%	57.9%	−3.9%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

W. A. Radcliff, Chairman Regina Clearing House

W. A. Radcliff, Dominion Bank, was elected chairman of the Regina Clearing House Association at the annual meeting held recently and F. W. Scrimes, Imperial Bank, was elected vice-chairman. The committee consists of J. E. Edgington, Bank of Nova Scotia; J. G. Nickerson, Royal Bank; H. B. Adams, Canadian Bank of Commerce; F. C. Burnett, Bank of Toronto and G. H. Harman, Bank of Montreal.

Volume of bank clearings passing through the Regina clearing house in 1933 increased 3.5 per cent over the volume of 1932. Total clearings in Regina for the past four years is as follows:

1933	$176,858,737
1932	170,858,649
1931	192,876,885
1930	252,351,221

Agricultural Production Maintained in Alberta

Preliminary estimates on the value of agricultural production in Alberta during the 1933 season, place the figure at approximately the same level as for 1932, namely $118,000,000. Later revisions may make some small changes in this estimate. The outstanding feature is the new record made in production of creamery butter, estimated at 23,750,000 lbs., or about 800,000 lbs. greater than the previous all-time record of 1931. The value is about $600,000 over that of 1932 owing to slightly better prices and increased production.

The value of field crops, owing to greatly lessened production, is under that for 1932. The value of livestock slaughtered and sold showed an increase from about $17,550,000 for 1932 to about $20,000,000 for 1933. In hogs alone there was increase of about 130,000 head, and in value an increase of more than $3,000,000.

Future Exchange Contract Intricacies are Explained

Methods Used by Banks in Buying or Selling Future Contracts for Importers, Exporters and Investors Are Not Generally Understood

One of the important functions of the foreign exchange departments of the banks is the dealing in future exchange contracts. This service permits exporters, importers and investors to protect their interests against fluctuations in exchange rates and the whole method of operation is discussed in some detail in an article by H. K. Burchard, Canadian Bank of Commerce, appearing in the Caduceus, the magazine of the bank.

The exporter who sells goods which will be paid for in the currency of another country at a future date may protect himself against exchange fluctuations by selling to the bank a "future" which is a contract to deliver to the bank a stated sum of the foreign currency at a stipulated rate of exchange on a future date. Conversely, the importer may protect his interests by buying a future. The operations of the bank in covering futures are little more involved than is the case with transactions for immediate delivery. The impression that the banks speculate on the course of exchange until the date of delivery is wrong since the varying requirements of different clients tend to offset each other.

The market for "forwards" is a distinct part of the exchange market which also includes transactions for immediate, or "spot," delivery. The market for "forwards" is based upon the "spot" rate but fluctuates continually according to relative supply and demand of future contracts. A rough rule is that the premium on any forward delivery will not exceed an amount equalling the loss of interest caused by transferring Canadian capital abroad to be held there at current credit rates of interest for the same period of time, although exceptions occur on exchanges where there is great speculative activity.

Transactions in future exchange on all countries is not always possible due to legal restrictions on traders imposed by certain countries, which seek to curb speculation adverse to the stability, in terms of gold, of the country's currency unit. This is made possible by the fact that the most active market for a country's exchange in terms of other currency is in its own principal centres and supply in foreign centres tends to dry up. Where restrictions are in force, the banks can only undertake commitments in futures on the assurance that exchange will be available.

Bank Covers Immediately

When the bank contracts to deliver say £10,000 of sterling cables on a date three months ahead it may also have a contract to take the same amount at approximately the same date from another client but if this is not the case it turns to the open exchange market to cover its commitment. If futures cannot be purchased the bank must take spot delivery and carry the funds in its balances abroad until liquidation by the client of his contract. In the event that cover must be obtained by the latter method a sufficient spread is allowed in the selling rate to cover the difference between interest obtained on the credit balance abroad and what could have been obtained by investing the amount at home.

Futures represent a fluctuating liability to the bank since the market might move in such a direction that if the client failed to execute delivery at maturity of the contract the bank would incur a loss by the substitution of exchange purchased or sold in the open market. To guard against such contingency the bank may ask its client to post a cash margin of 10 to 20 per cent of the amount involved. This margin may be increased if fluctuations in exchange become very large.

While clients are held to the terms of the contract in order that the bank may not take a loss, the client is generally given some leeway in order that he may synchronize his commercial transaction with the date on which he takes delivery of the exchange. The practice between banks, dealing on the open market, is the reverse of this and, if contracts are not met on the specified date, penalties through overdraft interest assessments are made for failure to deliver.

"Swaps" Are Important

Another prolific source of dealings in futures arises from the requirements of parties who borrow or loan abroad for short term investment and wish to protect the capital amount from fluctuations in the exchange before maturity of the obligation. This would necessitate a double operation, buying or selling of the foreign unit for immediate delivery and reversing the operation with a future, were it not for transactions known as "swaps." These, as the name indicates, are straight "swaps" of foreign currencies against specific forward delivery dates, and deals of this nature form no small proportion at times of the total exchange turnover in the market. The spread in rate between the two deliveries is, of course, in line with the prevailing premium or discount on forwards ruling at the time the transaction is put through. The advantages of dealing in "swaps" instead of making two separate operations of the deal are immediately apparent. To begin with, only one brokerage is paid on the transaction instead of two and, still more important, the risk of minor adverse fluctuations in the spot market between the time of completion of the first half of the transaction and covering of the second half is eliminated. Moreover, the spot market is seldom a fixed quotation factor but, for example, sterling is usually quoted, say, 443¼ to 443¾, and the difference of opinion between the buyer and seller as to its true value is eliminated in both sections of the swap. If each party to the contract is satisfied that a spread of, say, three points' premium for three months is a fair price to pay for the accommodation, then the precise value of spot sterling, used as a basis for the rates, is of no consequence, and the spot rate as against future may be quoted either 4.43¼ against 4.46¼ or 4.43¾ without benefit or detriment to either party.

Foreign Exchange

FOREIGN exchange hade only minor moves in the week ended Jan. 29, in comparison with wide variations that have prevailed for months. Major development is that the way appears to be opening up to stabilization in terms of gold or through equalization fund operations. J. M. Keynes sees the American devaluation intimation as making the present French position on gold untenable, but nevertheless allowing France to devalue.

The situation is that either new gold values for currencies could be arranged or that equalization funds should be operated to keep exchanges stable pending more permanent measures. The latter appears the more probable. Economists have pointed out that considerable experimenting with stabilization levels would be the course of wisdom, if the gold standard is to come back. And even after feeling matters out, it would be possible, perhaps probable, that serious errors might be made. All-round resumption of gold, de facto, is believed to be distant. Observers hope for some cooperation between Britain and the United States toward minimizing fluctuations, however.

FOREIGN EXCHANGE
New York Funds

	High (Premium)	Low	Last Year High (Premium)	Low
	%	%	%	%
Jan. 23	1 1/8	1 1/8	15¼	14⅞
Jan. 24	1	¾	15 5/16	14⅞
Jan. 25	1	⅞	15½	14⅞
Jan. 26	1⅛	¾	15⅝	15¼
Jan. 27	1	¾	16 1/16	15¾
Jan. 29	1 1/8	⅝	17⅛	15⅝

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Jan. 23	5.00	.0626½	.0838
Jan. 24	4.98	.0624	.0834
Jan. 25	4.96½	.0622	.0831
Jan. 26	4.96	.0621½	.0830½
Jan. 27	4.96	.0621½	.0832
Jan. 29	5.02½	.0629½	.0841

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Jan. 23	5.04	0.0631½	0.0844
Jan. 24	5.02½	0.0630	0.0842
Jan. 25	5.01½	0.0629	0.0840½
Jan 26	5.00½	0.0628	0.0838
Jan. 27	5.01	0.0628	0.0840
Jan. 29	5.04¾	0.0631½	0.0845

	Reichsmarks	Belga	Yen
Gold Par	$0.238	$0.139	$0.498
Jan. 23	0.3819	0.2243	0.3053
Jan. 24	0.3787	0.2233	0.3060
Jan. 25	0.3780	0.2231	0.3045
Jan. 26	0.3783	0.2227	0.3020
Jan. 27	0.3793	0.2230	0.3020
Jan. 29	0.3812	0.2241	0.3039

CANADA TRUST CO. ASSETS SHOW GAIN

Liquidity is Better—Increase in Real Estate Held for Sale

Net profit of Canada Trust Co., subsidiary of Huron and Erie Mortgage Corp., amounted to $120,108 in 1933. After deducting taxes, the company earned 10.02 per cent on capital of $1,000,000 or slightly under the 10.08 per cent earned in 1932. With increase in guaranteed trust account and in the volume of estates, trusts and agencies under administration, total assets of the company increased to $31,813,101 from $30,127,974.

Trust funds for investment in guaranteed trust account are up to $6,535,078 from $6,196,139. Increase in assets in this account is largely in cash which is up to $341,896 from $169,370, and in Dominion of Canada bonds which are up to $51,096 from $29,537. Municipal debentures are shown at $14,276 while mortgages are up to $5,977,150 from $5,817,316. Loans on securities are little changed at $150,660. Estates, trusts and agencies account is up to $23,335,787 from $21,989,804.

Real Estate Higher

Total of assets in capital account is practically unchanged at $1,942,236 but cash is down to $25,074 from $116,734, while Dominion of Canada bonds are up to $228,295 from $15,138 and municipal debentures are up to $37,048 from $15,204. Advances to estates have been reduced to $61,645 from $46,695; mortgages and agreements of sale are down to $1,431,963 from $1,688,199 and real estate held for sale is up to $111,251 from $7,000.

The company has paid in capital of $1,000,000 and reserve fund of $850,000. Profit and loss surplus has been increased to $42,236 from $42,031. Dividend has been continued at the rate of 10 per cent and is all payable to the parent company.

Record of Canada Trust Co. for the past six years is as follows:

Earnings Record

Year	Paid-up Capital	Net Profits*	Div. Rate	Rate Earned per sh.
	$	$	$	$
1928	1,000,000	129,002	10	12.90
1929	1,000,000	130,887	10	13.09
1930	1,000,000	132,081	10	13.21
1931	1,000,000	108,078	10	10.81
1932	1,000,000	100,830	10	10.08
1933	1,000,000	100,206	10	10.02

*After defraying expenses of management and other charges, taxes, and making provision for actual losses.

Year	Guar. Account	Estates Under Adminis.	Total Reserves
	$	$	$
1928	6,544,172	18,449,892	800,000
1929	6,510,395	20,657,189	850,000
1930	7,112,193	18,901,769	850,000
1931	6,707,288	21,630,322	850,000
1932	6,196,139	21,989,804	850,000
1933	6,535,077	23,335,787	850,000

STABILITY

Dictionary Meaning— "FIRMLY FIXED OR ESTABLISHED"

I. Holders of Consumers Savings Certificates enjoy an Interest Rate on their savings of 5% annually, which is FIRMLY FIXED and ESTABLISHED by contract for term of the Certificate.

II. For those who lack the facilities for the skilled management of their savings, which is so necessary today, this plan is ideal, being UNCONDITIONALLY GUARANTEED.

III. $19.25 monthly for 15 years produces $5,000.00.

Consumers Finance Ltd.
TORONTO 159 Bay St. OTTAWA 107 Sparks St.

Provide *FULLY* for Your Fire Hazard

Not, of course, in the thousands you may lose, but in the few dollars required to protect those thousands. Enjoy the sense of security which comes with thorough coverage and dependable assurance of speedy settlement.

All reinsurances are effected through Lloyds of London, England, and a deposit is maintained with the Federal Government, making your policy with this 50 year old Company absolutely secure.

Est. 1884

The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.

Fire - Automobile - Burglary - Windstorm - Plate Glass - Sprinkler Leakage

TORONTO VANCOUVER EDMONTON MONTREAL

The Record of 1933

ASSETS of this Strong Canadian Company now total $19,230,065.75 — the *highest* amount in the history of the Excelsior Life—made up of well selected and diversified investments as listed in the full Annual Report of the Board of Directors.

§ Over 59% of our Bonds are obligations of the Cities, Provinces or Government of the Dominion of Canada.

—THE— EXCELSIOR INSURANCE LIFE COMPANY

"A Strong Canadian Company"

HEAD OFFICE :: TORONTO, CANADA

BRANCH OFFICES IN PRINCIPAL CITIES OF CANADA

OUTSTANDING ITEMS *from the* 44th ANNUAL REPORT

Total Insurance in Force: $90,052,416.48

Insurance Issued and Revived during 1933: $14,758,083.20

Paid to Policyholders:
To Living Policyholders—$1,912,009.64
To Beneficiaries of Deceased Policyholders: $515,892.65
Total: $2,427,902.29

Total Income in 1933: $3,591,250.07

§ *A printed copy of the complete Annual Report will be sent upon request.*

Position of Chartered Banks of Canada as of December 30, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	33,342,250	16,703,546	9,000,000	7,749,826	134,201,625	382,032,766	65,524,010	5,101,010	1,463,963	4,137,027	177,652	6,589,607
Nova Scotia	11,501,047	3,922,250	3,214,000	2,412,902	34,201,845	132,478,002	34,977,359	2,181,331	194,991	1,988,722	255,154	5,722,393
Toronto	6,018,249	611,272	1,500,000	441,794	24,126,040	61,660,527	....	415,630	290,053	928,332	77,175	1,103,800
Provinciale	3,780,095	367,814	600,000	70,528	4,092,515	30,746,154		....	....	64,413	....	56,043
Commerce	23,763,025	1,655,472	7,000,000	4,752,883	105,438,022	276,364,452	56,666,186	1,600,876	430,241	6,069,895	51,510	12,834,419
Royal	30,076,706	4,590,213	20,000,000	6,915,040	129,197,432	262,650,929	160,831,489	969,075	385,157	16,959,810	303,508	20,315,978
Dominion	6,261,243	3,129,822	1,500,000	1,578,933	26,074,876	61,751,134	3,037,364	570,677	104,055	605,670	....	1,661,643
Nationale	9,294,639	905,644	5,900,000	1,596,205	16,291,754	76,150,298	1,150,459	624,613	26,516	363,949	....	431,974
Imperial	7,733,983	1,262,759	1,590,000	2,244,840	26,961,607	70,299,785	....	1,258,558	197,916	791,442	....	627,040
Barclays (Canada)	287,720	186,200	84,000	150,000	1,285,227	2,782,779	....	326,273	1,866,401	1,520,878	....	36,050
Total	132,058,957	33,334,492	50,388,000	27,912,951	501,870,943	1,356,916,826	322,186,867	13,048,033	4,959,293	33,430,138	864,999	49,378,947

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	1,824,456	20,305	38,000,000	36,000,000	741,668,047	50,000,000	36,000,000	8	1,281,667	16,707,438	38,919,763	35,390,157
Nova Scotia	265,650	363,977	24,000,000	12,000,000	269,679,629	15,000,000	12,000,000	12	3,042,466	9,113,046	16,490,605	12,477,877
Toronto	152,942	3,741	9,000,000	6,000,000	112,329,550	10,000,000	6,000,000	10	814,185	372,900	4,372,200	6,627,300
Provinciale	804	6,087	1,000,000	4,000,000	44,784,457	5,000,000	4,000,000	6	625,780	216,910	474,640	3,992,040
Commerce	....	18,361	20,000,000	30,000,000	548,645,347	50,000,000	30,000,000	8	4,234,866	11,641,000	28,027,000	25,752,454
Royal	57,985	30,968	20,000,000	35,000,000	708,284,296	50,000,000	35,000,000	8	2,302,013	8,890,991	25,522,218	32,023,351
Dominion	286,708	175,573	7,000,000	7,000,000	120,737,302	10,000,000	7,000,000	10	1,345,333	641,000	2,551,000	6,718,398
Nationale	....	6,309	5,000,000	7,000,000	124,742,366	10,000,000	7,000,000	10	292,918	903,641	1,117,411	9,426,289
Imperial	....	1,017	8,000,000	7,000,000	127,968,951	10,000,000	7,000,000	10	551,664	490,393	2,980,720	8,801,408
Barclays (Canada)	....	....	500,000	500,000	9,525,531	500,000	500,000	......	....	11,819	103,603	298,870
Total	2,388,545	626,338	132,500,000	144,500,000	2,806,365,376	210,500,000	144,500,000	......	14,390,942	48,499,138	118,450,160	141,680,518

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities
	$	$	$	$	$	$	$	$	$
Montreal*	16,692,439	45,490,408	2,968,865	354,907	23,798,996	1,056	1,697,042	9,913,416	260,166,016
Nova Scotia	8,994,214	24,253,953	807,136	2,089,584	8,197,667	....	1,314,476	5,190,809	54,905,113
Toronto	394,904	3,677,485	542,890	22,765	4,521,029		1,673,434	841,953	33,048,344
Provinciale	222,692	387,317	361,475	65,458	1,433,642	1,292,814	1,031	157,621	9,751,866
Commerce†	11,605,685	26,516,774	1,950,765	883,130	14,754,329	18,983	789,473	15,146,596	96,673,076
Royal‡	9,964,039	26,982,594	2,664,224	15,016,960	19,190,614	3,546	1,525,136	36,133,396	110,472,770
Dominion	629,696	7,623,723	628,655	69,355	5,218,198	....	988,999	868,034	25,618,827
Nationale§	901,542	881,261	682,910	60,933	3,169,341	206,751	33,969	477,276	26,956,920
Imperial	495,819	3,875,413	685,670	49,658	5,208,970	622,133	649,181	1,190,921	23,120,426
Barclays (Canada)	12,932	43,793	10,395	1,240	236,382	1,352,809	3,453,381	606,818	1,355,112
Total	49,914,262	139,732,921	11,351,985	18,614,990	85,729,168	3,498,092	12,126,122	70,625,840	651,068,470

NAME OF BANK	Canadian municipal British and foreign securities	Railway and other Bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans
	$	$	$	$	$	$	$	$	$
Montreal*	45,621,165	9,654,213	6,770,422	31,289,566	200,263,253	10,181,651	5,359,589	32,136,131	3,857,542
Nova Scotia	16,372,484	7,912,674	9,042,136	1,968,072	89,837,000	13,141,694	2,155	7,399,460	878,029
Toronto	7,071,529	1,090,181	4,911,128	....	43,677,945	....	....	5,647,138	401,857
Provinciale	4,911,228	2,991,170	4,859,204	....	13,788,687	....	....	1,308,464	178,223
Commerce†	35,050,197	11,990,395	30,755,124	20,610,290	177,115,199	16,036,698	11,254,338	31,714,884	2,844,287
Royal‡	23,526,845	11,970,066	30,764,067	35,245,978	219,126,517	98,352,296	3,085,968	9,032,757	4,041,372
Dominion	5,635,605	2,506,055	7,107,790	958,004	51,208,007	290,991	....	2,886,409	391,143
Nationale§	13,782,952	3,581,678	5,346,897	....	43,790,073	55,348	4,364,138	2,514,741	290,692
Imperial	5,912,626	132,111	5,969,221	....	58,050,992	....	4,732,007	5,384,673	333,534
Barclays (Canada)	184,647	30,850	423,900	....	1,305,000	....	....	....	14,267
Total	158,078,288	51,859,393	105,949,889	90,071,910	898,159,673	138,058,578	28,798,480	108,826,297	13,231,466

NAME OF BANK	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves*	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$
Montreal*	514,090	1,191,955	14,500,000	6,589,607	1,589,618	4,000,000	63,018	50,730	743,715,416
Nova Scotia	....	106,306	7,624,458	5,722,393	531,104	1,250,000	2,725,795	90,151	270,447,064
Toronto	....	42,516	3,635,736	1,103,800	315,801	630,866	....	....	113,252,220
Provinciale	589,004	378,227	2,139,721	56,043	195,400	....	....	150,956	45,120,889
Commerce†	2,580,477	2,560,655	14,869,166	12,834,419	1,250,000	4,000,000	4,022,825	429,853	548,226,280
Royal‡	2,414,551	878,302	17,016,652	20,315,978	1,500,000	3,000,000	6,266,154	445,094	700,333,882
Dominion	75,641	21,732	5,980,000	1,661,643	304,550	400,000	....	132,278	121,172,546
Nationale§	1,137,123	622,015	6,086,071	431,974	358,611	2,400,000	....	53,042	125,187,734
Imperial	175,800	418,942	6,002,643	627,040	443,419	2,100,866	....	128,124	129,363,519
Barclays (Canada)	....	....	450,000	36,050	14,795	....	....	....	9,132,477
Total	7,436,686	6,221,650	78,254,447	49,378,947	6,503,388	17,781,732	13,078,802	1,500,328	2,815,752,804

*Of this deposit $5,181,732 is in gold coin; the balance is in Dominion notes.
*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.
§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

To flee, or not to flee

THERE'S no question about it. It is indeed less prudent to suffer the stings of outrageous Winter than to take refuge at Chalfonte-Haddon Hall.

For Winter's on its best behavior here at the shore. The air is bracing, but never bitter. Golf and horseback riding are enjoyed all year round. Within the hotels there's a wealth of diversion that makes Chalfonte-Haddon Hall the perfect setting for a midwinter holiday.

If you are seeking escape from *excitement* as well as from the harshness of winter, here you can fill your days with repose. Bask in the sun on our lazy Ocean Decks. Take life easy in the cheerful, quiet lounges. Enjoy marvelous food and deep seaside sleep.

And through it all, the friendly concern for your comfort and amusement that distinguishes a stay at Chalfonte-Haddon Hall. Write for reservations.

Chalfonte-Haddon Hall
ATLANTIC CITY
Leeds and Lippincott Company

STOCKS
Benefiting from Government Spending

The billions of dollars of borrowed money to be spent by the United States in 1934 will favorably affect many industries and corporations. Spending this vast sum also forms the basis of a great national credit inflation. No investor should miss the January 31st FINANCIAL WORLD containing a timely analysis of this huge spending program — also the particular stocks likely to be most favorably affected.

It is vital for you to keep financially posted in order to profit most by THE NEW DEAL. Therefore, return this "ad" and $1 for the next four issues of THE FINANCIAL WORLD. You will also receive "Independent Appraisals of (1,300) Listed Stocks"; "How To Safeguard Your Capital Against Dollar Devaluation"; "Scuttling 10,000,000 Utility Investors"; "10 Promising Stocks For 1934" and "A Notable Stock Value."

The Financial World
53 F.P. Park Place, New York

Sutcliffe Company Ltd.
CONSULTING ENGINEERS and ONTARIO LAND SURVEYORS
New Liskeard, Ontario

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

TORONTO GENERAL CAPITAL EARNED 7.69 P.C. IN 1933

$1,000,000 Transferred to Inner Reserve—Estates Business Up

Toronto General Trust Corp. had a profit of $280,955 in 1933 and, after deduction, of taxes, earned 7.69 per cent on paid-up capital of $3,000,000. This compares with profit of $396,872 in 1932 when 11.40 per cent was earned on capital. During 1933 the company secured additional estates, trusts and agency business but experienced some reduction in deposit and investment certificate liabilities. Transfer was made of $1,000,000 from reserve fund to internal reserve and there has been substantial writing down of book value of assets in capital account.

Trust assets under administration have been increased to $199,761,441 from $193,623,941. In the guaranteed trusts account, the amount of guaranteed investment certificates is down to $17,669,295 from $18,045,874 while funds on deposit are down to $6,027,742 from $6,168,734. Liquid position of the company remains strong with quickly realizable assets at 122 per cent of savings deposits.

Cash Is Higher

Assets in guaranteed trusts account include mortgages at $15,612,503 as compared with $15,507,914 at the end of 1932. Investment in Dominion and provincial bonds is up to $1,320,131 from $982,664; municipal debentures are down to $3,968,522 from $4,183,869; cash is up to $927,757 from $765,126. Loans on Government and municipal bonds are down to $1,027,478 from $1,554,826 and loans on bonds and stocks are down to $450,598 from $629,266.

In capital account there has been reduction in assets which compensates the retirement of $1,000,000 to inner reserves. Mortgages are down to $510,444 from $1,063,625 agreements for sale are down to $404,035 from $733,114 and conditional agreements of sale are down to $573,604 from $664,631. Real estate held for sale is higher at $1,040,852 as compared with $846,665 in 1932. Cash is down to $138,607 from $260,726; advances to trust estates to $363,051 from $388,507.

Capital of the company is $3,000,000 and reserve fund is now shown at $2,000,000. Profit and loss balance has been increased to $104,650 from $83,694. The record of the company for the past six years is as follows:

Earnings Record

Year	Paid-up Capital $	Net Profits* $	Div. Rate $	Rate Earn. per sh. $
1928	2,500,000	397,731	12.00	15.91†
1929	3,000,000	470,029	12.00	15.66†
1930	3,000,000	456,230	12.00	15.21†
1931	3,000,000	398,507	12.00	13.28†
1932	3,000,000	341,871	10.50	11.40†
1933	3,000,000	230,955	7.00	7.69†

*After all management expenses, directors' fees, advertising, rents, tax reserve, and all other charges or contingencies.
†Before appropriations for premises and equipment.

Year	Guar. Account $	Estates under Adminis. $	Total Reserves $
1928	15,429,597	160,365,995	3,100,000
1929	15,877,545	172,507,039	3,750,000
1930	21,736,784	192,103,799	3,750,000
1931	24,006,578	194,798,158	3,750,000
1932	24,214,608	193,623,941	3,000,000
1933	23,697,037	199,761,440	2,000,000

NEW RUBBER BELTING
all sizes up to 24" and used Leather Belting at Special Sale prices. Rubber Hose for Steam, Water, Suction. Wood Split Pulleys. Ball Bearings, Hangers, Shafting and machinery of all kinds.
Write for Price List.
N. SMITH BELTING WORKS
138 York St., Toronto.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER, INVESTORS' CHRONICLE, 20, BISHOPSGATE, LONDON, E.C. 2, ENG.

Established in 1889 By the late J. P. Langley, F.C.A.
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Licensed Trustee in Bankruptcy.
Liquidator, Receiver, etc.
Offices McKINNON BUILDING
Elgin 5305-6 TORONTO

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA WINDSOR
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JANUARY 29

Range 1934 High	Range 1934 Low	Divd. Rate in $	Yield in % Jan. 27		Sales	Close Jan. 22 (or last)	Week Ending Jan. 29 High	Low	Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
January 30, 1934

Industrial Bonds—		Bid January 30	Asked January 30	Bid Jan. 23
Abitibi P. & P. 5% 1953	F	29.50	31.50	27.50
Abitibi P. & P. C.O.D.	F	27.00	28.00	25.50
Acadia Sugar 6% 1946		96.00	99.00	96.00
Alta. Pacific Grain 6% 1946		71.00	74.00	70.00
American Sales Book 6% 1939		97.00	....	97.00
Asbestos Corp. 5% 1941	F	56.00	60.00	50.00
B. A. Oil 5% 1945		99.75	101.00	99.75
B. C. Pulp 6% 1950	F	52.00	54.00	49.00
B. C. Pulp 7% 1950	F	15.00	....	15.00
Burns 5½% 1948	F	34.00	37.00	35.00
Can. Biscuit 6½% 1946	F	20.00	....	17.00
Can. Bread 6% 1941		90.00	94.00	91.00
Can. Cement 5½% 1947		88.00	91.00	86.00
Can. Steamship 6% 1941	F	21.50	23.50	20.50
Can. Canners 6% 1950		98.00	100.00	97.00
Can. Copper Refin. 6% 1945		105.00	107.50	104.50
Can. Cottons 5% 1940		96.00	....	95.00
Can. Goodrich Income 7/43	F	30.00	....	30.00
Can. Rail & Harbor 6½/51	F	23.50	....	....
Can. Vickers 6% 1947		51.00	53.00	50.00
Cons. Invest. 4½% 1959	F	59.00	61.00	54.00
Davies, Wm. 6% 1942		98.50	100.50	98.00
Debenture & Sec. 4% 1936		69.00	....	69.00
Dom. Tar & Chemical 6% 1949		71.00	74.00	66.00
Dom. Telegraph 5½% 1978 A		80.00	85.00	80.00
Dom. Textile 6% 1949		105.50	107.00	105.00
Dom. Woollens 6% 1948	F	30.00	....	23.00
Donnacona Paper 5½% 1948	F	37.00	39.00	37.00
Eastern Dairies 6% 1949		55.00	59.00	56.00
Famous Players 6% 1948		84.00	....	82.00
Federal Grain 6% 1949		66.00	71.00	64.00
Firestone Tire 7% 1937		96.00	100.00	96.00
Fraser Co. 6% 1932	F	53.00	55.00	51.00
Fraser Co. 6% 1950	F	37.00	41.00	37.00
Galt Brass 7½% 1941	F	23.00	....	23.00
Gen. Steel Wares 6% 1952		70.00	74.00	68.00
Goodyear Cotton 6% 1949		103.00	104.00	103.00
Great Lakes 6% 1950	F	39.00	41.50	31.00
Gypsum, Lime & Alab. 5½% 1948		65.50	68.50	65.00
Hamilton By-Prod. 7% 1943		92.00	95.00	88.50
Harris Abattoir 6% 1947		102.50	103.00	102.50
Howard Smith 5½% 1953		85.00	88.00	83.00
Lake St. John 6½% 1947	F	44.00	46.00	42.00
Lake St. John 6½% 1942	F	14.00	....	10.00
Loew's Toronto 6% Serial		97.00	....	97.00
Maple Leaf Milling 5½% 1949		39.00	42.00	36.50
Massey-Harris 5% 1947		72.00	75.00	70.00
Matthews Steamship 6% 1942	F	26.00	....	....
McColl-Frontenac 6% 1949		96.00	98.00	96.00
McKinnon Industries 6½% 1945		97.00	....	97.00
Mercury Mills 5½% 1953		57.00	....	56.00
Minn. & Ont. 6% Serial	F	13.00	....	11.00
Price Bros. 6% 1943	F	76.00	80.00	69.00
Provincial Paper 5½% 1947		89.00	93.00	88.00
Simpsons Ltd. 6% 1949		88.00	92.00	84.00
Steel of Canada 6% 1940		106.00	108.00	106.00
Stop & Shop 6% 1947		74.00	....	74.00
Toronto Carpet 6% 1944		90.00	....	90.00
United Corpns. 5% 1953	F	69.00	72.00	65.00
United Gas & Fuel 5½% 1948		63.00	66.00	63.00
United Grain Growers 5% 1948		74.00	....	73.00
United Grain Growers 5½% 1949		78.00	....	76.00
Wabasso Cotton 7% 1942		70.00	....	70.00
Public Utility Bonds—				
Bell Telephone 5% 1955		103.50	105.00	104.00
B. C. Power 5½% 1960		95.50	96.50	94.00
B. C. Telephone 5% 1960		97.00	98.00	96.00
Calgary Power 5% 1960		88.50	89.50	87.50
Can. Northern Pwr. 5% 1953		85.00	88.00	84.00
Duke-Price Pwr. 6% 1966		86.00	86.50	83.50
French Natl. Mail SS 6/52		125.00	135.00	125.00
Gatineau Pwr. 6% 1941 A		77.25	78.25	76.00
Gatineau Pwr. 5% 1956		82.50	84.00	82.00
Maclaren Quebec 5½% 1961		87.50	88.50	85.50
Manitoba Power 5½% 1951		45.00	48.00	43.00
Montreal LH&P 5% 1970		105.00	108.00	104.00
Montreal Tram. 5% 1941 July		97.00	99.00	97.00
Northwest. Utilities 7/38		98.00	101.00	98.00
Ottawa Valley Pwr. 5½% 1970		101.00	103.00	101.00
Quebec Power 5% 1968		91.00	93.00	91.00
Rio Tramways 5% 1935		102.00	104.00	101.00
Shawinigan W. & P. 5% 1970		91.00	94.00	85.00
Shawinigan W. & P. 6% 1937		98.00	100.00	97.00
Southern Can. Pwr. 5% 1955		99.00	100.00	99.00
West Kootenay Pwr. 5% 1956		99.00	100.00	99.00
Realty Bonds—				
Albert Bay 6½% 1942		56.00	....	53.00
Balfour Bldg. 6% 1943		40.00	43.00	40.00
Bloor St. George 7% 1946	F	34.00	....	32.00
Clarendon Apts. 7% 1946	F	28.00	30.00	27.00
Clarendon Properties 7/44	F	25.00	....	23.00
Dominion Square 6% 1946	F	46.00	....	46.00
Eaton Realty 5% 1949		92.50	95.00	91.00
Godfrey Realty 6% 1942	F	35.00	....	35.00
General Brock Hotel 6/48	F	24.00	27.00	25.00
London Realty 6½% 1950	F	48.00	53.00	47.00
Lord Nelson Hotel 4% 1947		47.00	....	45.00
Mayor Bldg. 6½% 1942		35.00	....	35.00
Metropolitan Bldg. 7% 1944		90.00	....	90.00
National Realty 7% 1945	F	25.00	26.00	24.00
Northern Ont. Bldg. 6½% 1939		75.00	....	73.00
Ontario Bldg. 6½% 1943	F	30.00	35.00	40.00
Richmond Bay 6½% 1947		71.00	....	70.00
York Bldg. 6% 1943		70.00	....	....
Government, Provincial & Railway—				
C. N. R 4½% 1957 Dom. Gtd.		99.50	101.00	99.00
C. N. R. 5% 1969 Dom. Gtd.		106.50	107.50	106.00
C. P. R. 4½% 1944		82.50	83.50	81.00
C. P R. 6% 1942		104.00	105.00	104.00
Dom. of Can. 5% 1936		102.50	103.50	103.00
Dom. of Can. 5% 1941		103.50	104.00	103.50
G. T. P 3% 1962 Dom. Gtd.		85.50	86.50	85.50
G. T. P. 4% 1962 Dom. Gtd.		97.00	98.00	96.50
Ont. Hydro 3½% 1952 Ont. Gtd.		92.25	93.25	92.00
Ont. Hydro 4% 1957 Ont. Gtd.		93.50	94.25	93.50
Prov. of N. B. 5½% 1950		104.50	105.00	104.00
Prov. of Ont. 5½% 1946		107.00	108.00	107.00
Prov. of Ont. 4½% 1944		102.00	103.00	102.00
Prov. of Ont 5% 1948		103.00	103.50	103.00

F—Traded without accrued interest.

Listed Bond Quotations

Week Ending January 29, 1934

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1934 High	Range, 1934 Low
Abitibi, 1st mtge.§	5	1953	...	29	...	...	30	19½
Asbestos	5	1942	...	74	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	84	...	...	*62	...
Can. Cottons	5	1940	8.11	94	...	...	*84½	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. S.S Debs.	5	1943	...	66	...	...	*83½	...
Cedars Rapids	5	1953	4.64	103	...	...	*108	104½
Dom Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	*87	...
McNish	6	1948	...	4.00	4.00	...	4.25	3.75
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	45	45½	45	45½	43⅞
Mont. Tr. 1st mtg.§	5	1941	5.47	...	97½	...	98	97¼
Mont. Trams. A§	5	1955	6.67	...	81½	80½	81½	75
Do., G. & Ref. B	5	1955	7.44	...	...	...	*74½	73½
Do., C	4½	1955	9.03	...	...	...	*57	57
Do., D	5	1955	7.41	...	...	...	74½	...
N. S Steel	5	1959	...	25	...	...	25	...
Ontario Steel	6	1943	7.43	88	...	...	*90	80
Porto Rico Pr.	5	1936	...	...	...	...	*98	88
Steel of Canada§	6	1940	...	105	...	...	*102½	100
Winnipeg Elec.§	5	1935	...	82	...	...	79½	79½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	3.02	105.25	....	...	*116.25	107.00
Do.	5½	1934	3.65	101.25	....	...	101.25	101.25
Do.	5½	1937	3.35	107.50	....	...	*110.25	109.25
Do., refund	4½	1940	4.17	101.50	....	...	*101.25	99.70
Do., refund	5	1943	4.40	104.25	....	...	*104.90	101.85
Do., refund	4½	1944	4.36	101.00	....	...	*100.50	98.25
Do., refund	4½	1946	4.36	101.00	....	...	*92.25	91.50
Do., renewal	4	1952	4.32	95.75	96.00	...	96.00	96.00
Do., refund	4	1945	4.38	96.00	....	...	*96.50	95.55
Conversion Loan	4½	1956	4.50	99.50	....	...	*100.70	97.00
Do.	4½	1957	4.52	99.50	....	...	* 99.00	96.00
Do.	4½	1958	4.51	99.50	99.75	...	99.75	99.50
Do.	4½	1959	4.50	100.25	....	...	*100.80	97.50
Nat. Service Loan	5	1936	3.68	103.00	....	...	*103.25	101.50
Do.	5	1941	4.32	104.00	....	...	*103.75	100.75
Dom. Loan	4	1935	3.35	100.25	....	...	*99.75	99.75
Unlisted:								
Cons Paper	5½	1961	...	....	20½	18½	21	13½
Can. For Inv. deb.	7	1949	...	101.00	....	...	*100.00	80.00

†Latest ask. ‡Quotations for 1930. °For. 1931. *For 1932. •For 1933. None recorded in 1934 to date.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

January 30, 1934

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	87.00	5.46
Alberta	5	1 July, 1943	1 July	94.00	5.83
Alberta	6	1 Mar., 1947	1 Mar.	98.50	6.16
*British Columbia	4½	1 Oct., 1953	1 Apr.	86.00	5.68
*British Columbia	5	15 Jan., 1948	15 July	92.00	5.85
British Columbia	6	15 Feb., 1947	15 Feb.	98.00	6.22
Manitoba	4	1 July, 1947	1 July	84.00	5.72
*Manitoba	5	2 Dec., 1959	2 June	91.00	5.67
Manitoba	6	1 Apr., 1947	1 Apr.	98.00	6.22
*New Brunswick	4	1 June, 1948	1 June	92.00	4.77
*New Brunswick	4¾	15 June, 1936	15 June	100.00	4.75
New Brunswick	5½	15 May, 1950	15 May	106.00	4.96
*Nova Scotia	4½	15 Nov., 1948	15 May	98.00	4.68
Nova Scotia	5	1 May, 1943	1 May	101.50	4.80
*Ontario	4½	1 Sept., 1944	1 Mar.	103.50	4.10
Ontario	5	15 Oct., 1948	15 Apr.	104.00	4.63
Ontario	5½	1 Feb., 1947	1 Feb.	108.00	4.67
P. E. I.	4	1 Apr., 1939	1 Apr.	97.00	4.65
P. E. I.	6	1 May, 1947	1 May	109.50	5.00
*Quebec	4½	1 May, 1961	1 May	98.00	4.37
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	84.00	5.80
*Saskatchewan	5	1 Nov., 1959	1 May	88.00	5.91
Saskatchewan	6	15 Mar., 1952	15 Mar.	96.00	6.37
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	100.00	5.00
*Toronto	4½	1 Jan., 1955	1 July	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 July	85.25	6.00
Winnipeg	5	1 Mar., 1944	1 Mar.	92.30	6.00
*Edmonton	5½	1 Apr., 1947	1 Apr.	88.50	6.81
Calgary	5	1 Jan., 1943	1 July	87.00	6.88
Halifax	6	1 July, 1951	1 July	111.50	5.00
Saint John	5	15 Dec., 1950	15 June	100.00	5.00
Regina	4½	1 July, 1950	1 July	77.50	6.75
Victoria	5	21 July, 1948	21 July	91.50	6.00
Quebec	5	1 June, 1948	1 June	100.00	5.00

*Payable in New York.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers, Toronto.
January 30, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	1.75	2.10
Acadia Sugar 6% pfd.	4.35	5.00
Agnew Surpass 7% pfd.	67.00	....
Allens London 7% pf. bonus c.	36.50	....
Allens St. Cath. 7% pf. bonus c.	36.50	....
Allens Toronto 7% pf. bonus c.	19.50	....
Andian National Corp.	30.00	31.50
Atlantic Sugar "A" pfd	84.50	90.00
B.C. Pulp & Paper pfd.	7.50	....
Burns Pfd. bonus com.	4.50	7.50
Canada & Dom. Sugar	36.00	38.00
Canada Machinery com.	2.50	3.75
Canada Machinery pfd.	15.00	20.00
Canada Packers com.	46.00	50.00
Canada Packers pfd.	101.00	103.00
Canada Starch com.	5.50	....
Canada Starch 7% pfd.	76.50	....
Canada Wire & Cable 6½% pfd. WW	62.50	67.00
Can. Industries com. A	127.00	....
Can. Industries com. B	127.00	128.00
Can. Industries 7% pfd.	129.00	132.00
Can. Westingh'se	45.00	48.00
Chase, A. W. pfd. bonus c.	18.00	21.50
Claude Neon Gen. Adv. Units	3.00	6.50
Dom. Foundries & Steel com.	5.50	7.75
Dom. Foundries & Steel 8% pfd.	42.00	....
Dom. Manufacturers 7% pfd.	65.00	....
Dunlop Tire 7% pfd.	63.00	67.00
Eastern Dairies Ltd. 7% pfd.	11.00	16.00
Federal Grain 6½% pfd.	18.00	....
Foreign Power Sec. pfd.	10.00	....
Gen. Steel Wares pfd.	21.00	23.00
Goderich Elevator & Transit	6.50	7.75
Greening Wire 7% pfd.	55.00	63.00
Guelph Carpet 6½ pfd.	73.00	76.00
Guelph Carpet com.	6.50	....
Harding Carpets Ltd. Units	15.00	21.00
Highland Dairy Ltd. 7% pfd.	61.50	....
Inter City Baking com.	15.00	....
Inter. Proprietaries A	32.25	34.00
Loew's London com.	.40	.90
Loew's London pfd.	3.25	4.50
Loew's Toronto 7% pfd.	59.00	62.00
Massey-Harris 5% pfd.	22.50	....
Mount Royal Hotel 6% pfd.	1.75	2.75
National Grocers com.	2.08	2.40
National Grocers 7% pfd.	91.00	....
Paramount Kitchener pfd.	32.00	....
Paramount Oshawa pfd.	38.00	45.00
Provincial Paper 7% pfd.	70.00	74.00
Reliance Grain 6½% pfd.	38.00	....
Robinson Consol. Cone	6.00	7.50
Rolland Paper 6% pfd. WW	51.00	....
Ruddy, E. L. pfd.	9.00	....
Serv. Stations A pfd.	31.00	35.00
Standard Fuel 6½% pfd. bonus	69.00	73.00
Supersilk pfd. bonus	37.00	....
Standard Clay Products c.	....	15.00
Supertest Petroleum B pfd.	19.00	21.25
Thayers Ltd. pfd.	25.00	....
Toronto Elevators 7% pfd.	92.00	....
Toronto Housing com.	15.00	....
United Corpns. Ltd. A	6.60	8.00

Ind. Stocks cont'd:	Bid	Asked
United Corpns. Ltd. B	1.50	2.50
United Grain Growers	9.00	11.00
Western Grain 6½% pfd. bonus	6.00	10.00
Western Grocers pfd.	87.00	93.00
Willards Chocolates pfd.	13.50	18.00
Wood, Alex. & James pfd.	19.50	25.00
Zimmerknit com.	3.00	5.00
Insurance Stocks:		
Brit. Amer. Assce.	25.50	....
Can. Life Assce.	421.00	....
Candn. Fire Ins.	53.00	57.00
Confederation Life 20% pd.	122.00	128.00
Continental Life 20% pd.	36.50	....
Crown Life Ins.	100.00%	....
Dom. Fire Ins.	85.50	....
Dominion Life 50% pd.	165.00	....
Dom. of Can. Gen. Ins.	104.50	111.00
Empire Life 25% pd.	9.75	13.50
Excelsior Life 30% pd.	72.50	....
Federal Fire 25% pd.	36.00	....
Great West Life Assce.	320.00	....
Guar. Co. of N. A. fully paid	206.00	225.00
Guar. Co. of N. A. 20% paid	40.50	....
Imperial Life	275.00	....
Manufacturers Life Ins.	215.00	230.00
Monarch Life 10% pd.	17.25	20.00
National Life 25% pd.	53.50	60.00
Sovereign Life 25% pd.	14.00	17.00
Sun Life Assur.	460.00	490.00
Western Assur. c.	15.50	19.00
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Br. Mtge. & Tr.	120.00	135.00
Chartered Trust	60.50	....
Eastern Can. Sav. & Loan	111.00	115.00
Eastern Trust	135.00	141.00
London & Western Trust	37.00	....
Premier Trust	81.00	....
Security Loan & Savings	90.00	....
Sherbrooke Trust	100.00	109.00
Sterling Trust	....	43.50
Traders Finance 7% A pfd.	35.50	....
Trusts & Guar.	36.50	....
Victoria Trust & Savings	130.00	140.00
Waterloo Trust & Savings	90.00	100.00
Investment Trust Shares:		
Can. Gen. Invest. Ltd.	5.20	5.45
Can. Invest. Fund Ltd.	3.25	3.45
Can. Investors Corp.	4.75	6.00
Cons. Div. Standard Sec. pfd.	11.00	....
Debenture & Sec. 5% pfd.	14.50	....
Dom. & Anglo Invest. Units	165.00	....
Dom. Scottish Invest Units	15.00	20.00
Investment Foundation Units	29.00	32.00
Sec. Holding Corp. pfd.	8.50	....
Power Issues:		
Calgary Power 6% pfd.	78.50	82.00
Can. Light & Pwr. com.	30.00	....
Can. West. Nat. Gas LH&P pfd.	81.50	84.00
Great Lakes Pwr. pfd.	40.50	....
Maritime Tel. & Tel. com.	10.25	11.50
Maritime Tel. & Tel. 7%pfd.	11.00	12.50
N. B. Telephone c.	9.00	9.50
N. S. L&P com.	26.00	34.00
N. S. L&P pfd.	74.00	....

Recent London Quotations:

Brewers & Distillers	10s. 7½d.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	2s.
Hudson's Bay	27s. 6d.
Do., 5% pref.	92s. 6d.
Internat. Holdings	$2¼
Nfld. Pr. & Pap. deb. stock B 5½%	97½
Tor. Sub'an 4½% deb. stk.	20

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, c.	...	†20c	Mar. 1	Feb. 15
Do., pref.	7%	1¾%	Apr. 2	Mar. 15
Bk. Can. Nationale	$10	$2.50	Mar. 1	Feb. 15
Blue Ribbon, pref.	$2	50c	Feb. 1	Jan. 27
Bank of Montreal	$8	$2	Mar. 1	Jan. 31
Buffalo Ankerite G.	10c	5c	Feb. 15	Feb. 1
Bank of Toronto	$10	$2.50	Mar. 1	Feb. 15
B. C. Telephone 2nd pref.	$6	$1.50	Feb. 1	Jan. 15
Beatty Bros., pref.	6%	1½%	Feb. 1	Jan. 15
Belding Corticelli. c.	$4	$1	Feb. 1	Jan. 15
Calgary Power, pref.	6%	1½%	Feb. 1	Jan. 15
Can. Bronze	60c	15c	Feb. 1	Jan. 19
Do., pref.	$7	$1.75	Feb. 1	Jan. 19
Canada South. Rly. c.	$3	$1.50	Feb. 1	Dec. 29
Can. Converters	$2	50c	Feb. 15	Jan. 31
Can. Dredge	50c	50c	Feb. 1	Jan. 17
Do., pref.	$7	$1.75	Feb. 1	Jan. 17
Can. Bank of Commerce	$8	$2	Mar. 1	Jan. 31
Canadian Oil	50c	12½c	Feb. 15	Feb. 1
Do. pref.	$8	$2	Apr. 1	Mar. 20
Coast Breweries	92c	23c	Feb. 1	Jan. 19
Champlain Oil, pfd.	60c	15c	Feb. 15	Jan. 31
Chase, A. W., pfd.	$2	50c	Feb. 10	Jan. 31
Can. Hydro-Elec., pfd.	$6	$1.50	Mar. 1	Feb. 1
Can. Investors, com.	40c	10c	Feb. 1	Jan. 15
Can. Invest. Funds, spec. sh.	..	4c	Feb. 1	Jan. 15
Do., ord. sh.	..	4c	Feb. 1	Jan. 15
Dom. Scottish Invest., pref.	$1	25c	Feb. 1	Jan. 23
Dome Mines	1	25c	Feb. 1	Jan. 12
Do., extra	..	25c	Feb. 1	Jan. 12
Dominion Bridge	$2	50c	Feb. 15	Jan. 31
Do.	..	50c	May 15	Apr. 30
Fuller, Geo. (Can.) A pref.	$6	$1.50	Feb. 1	Jan. 15
Guelph Carpet pref.	$6.50	$1.62½	Feb. 1	Jan. 20
Humberstone Shoe	$2	50c	Feb. 1	Jan. 15
Howey Gold	..	†3c	Feb. 20	Jan. 20
Imperial Bank	10%	2½%	Feb. 1	Dec. 31
Inter. Nickel, pref.	7%	1¾%	Feb. 1	Jan. 2
International Utilities pfd.	$3.50	87½c	Feb. 1	Jan. 20
Do., pref.	$1.75	43¾c	Feb. 1	Jan. 20
Loblaw Groc. "A" & "B"	80c	20c	Mar. 1	Feb. 12
McIntyre-Porc. M.	$1	25c	Mar. 1	Feb. 1
Do., extra	50c	12½c	Mar. 1	Feb. 1
Do., bonus	...	12½c	Mar. 1	Feb. 1
Mortgage Corp. of N.S., c.	$7	$1.75	Feb. 1	Jan. 24
Penmans	$3	75c	Feb. 15	Feb. 5
Do., pref.	6%	1½%	Feb. 1	Jan. 22
Paterson, Wm., pfd.	$7	$1.75	Feb. 1	Jan. 19
Perfect Circle	..	50c	Apr. 1	Mar. 20
Quebec Power	$1	25c	Feb. 15	Jan. 27
Royal Bank	$8	$2	Mar. 1	Jan. 31
Russell Motor, pref.	4%	1%	Feb. 1	Dec. 30
Southern Can. Power, c.	80c	20c	Feb. 15	Jan. 31
Steel of Canada	$1.20	30c	Feb. 1	Jan. 8
Do., pref.	$1.75	43¾c	Feb. 1	Jan. 8
St. Lawrence Flour	$1.50	37½c	Feb. 1	Jan. 20
Do., pref.	$7	$1.75	Feb. 1	Jan. 20
Shawinigan W. & Pr.	50c	13c	Feb. 15	Jan. 23
Second Std. Royalties pfd.	4c	1c	Feb. 1	Jan. 22
Sherbrooke Trust	$6	$1.50	Feb. 1	Jan. 15
Simon & Sons, pref.	..	‡5.25	Mar. 1	Feb. 20
Teck-Hughes	60c	15c	Feb. 1	Jan. 10
Toburn Gold M.	..	†2c	Feb. 22	Feb. 5
Wainwright West Oil	...	*2c	Feb. 20	Feb. 10
Weston, Geo., pfd.	$7	$1.75	Feb. 1	Jan. 20

†Initial. *Interim. ‡On arrears.

Dividend Rate Reduced—
International Utilities pref. Feb. 1, $7 to $3.50 per annum.
International Utilities ($3.50 pref.) Feb. 1, $3.50 to $1.75 per annum.

Dividends Passed or Deferred—
Confederation Investments, pfd. Feb. 1 deferred. Last paid 75c. Nov. 1, 1933.

Winnipeg Stock Exchange

(Transactions for week to January 27)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Jan. 27
..	..	God's Lake	1,750	.80	.80	.80
..	..	Gunnar Gold	300	.85	.80	.80
2.60	7.8	Inter. Proprietaries	10	33	33	33
..	..	Island Lake	9,300	.13	.06	.06½
..	..	Little Long Lac	100	1.40	1.40	1.40
..	..	Smelters Gold	1,500	.30	.28	.28
..	..	Sovereign Life	5	13	13	13
..	..	Swayze Contact	1,500	.14	.14	.14
..	..	Western Breweries	490	1	1	1
..	..	Young Davidson	500	.33	.33	.33

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Pelissiers, com.	¼	½
Beaver Lumber c.	..	4	Traders Bldg. Assn.	65	..
City Dairy 8% pfd.	..	15	Can. Amer. Tr. shs.	2½	3½
Gt. West Life	320	..	Can. Invest. Fund.	..	3.45
Home Investment	20	..	Fundamental Ser. A	..	4½
Monarch Life 10% pd.	17	..	Fundamental Ser. B	..	4½
Nor. Mtg. part pd.	..	5	Grouped Inc. Shs.	..	4.70

*Stocks more active on other exchanges not included.

JANIEC ESTATE LAUNCHES SUIT AGAINST SISCOE

Heirs of Original Syndicate Member Claim One-Eleventh of Profits

The Janiec Estate Corp., made up of heirs of the original Siscoe syndicate, have launched an action in the Superior Court at Montreal demanding an accounting of profits and administration or damages of $251,077. The claim is really for one-eleventh of Siscoe holdings to which the heirs contend Albert Janiec was entitled at the time of his death.

Died Intestate

Albert Janice, also known as Wojciech Albert Janiec, was, it is contended, one of the eleven persons who composed the original Siscoe Mining Syndicate, and each person allegedly became owner of one-eleventh undivided interest in the assets. Janiec, who was born in Galewa, Poland, died intestate, unmarried, and without leaving any issue, at Timmins, on or about July 22, 1921, and was then possessed of the undivided one-eleventh of the parcel of land, then leaving as his only heirs-at-law, who were then all domiciled in Poland his father, Stanislaw Janiec, farmer, his mother, Agnieszka Janiec, and others. Now it is contended that the only persons presently entitled to the transmission in their names of the undivided one-eleventh interest are his brothers and sisters in the proportion of one-sixth each.

Consider Defense Good

In setting forth its case, the plaintiff demands that the defendant be called upon to render a true account in juridical form of its administration and dealing with the immovable property concerned and all rights connected with it from August 23, 1923, to the present time. Should the defendant fail to do so within a delay of 30 days from service of judgment, it is demanded that judgment be rendered against the defendant purely and simply in a sum equal to at least one-eleventh of the dividends and bonus declared and paid to date by the company defendant. This is estimated at $101,077, and a like proportion of all sums carried to reserve or surplus account or as deferred assets are estimated at $150,000. The total of these amounts is $251,077.

VENTURES SHOWS LOANS PAID OFF DEFICIT REDUCED

Current Position Improved by Sale of Stock, Profit on Securities Sold

The first statement of profit and loss to be issued for Ventures Ltd. and its subsidiary Ventures Claims Ltd. shows net earnings of 2.5 cents per share in 1933, on the 7,868,965 shares outstanding, after all charges and a surplus for the year of $204,016 which, with adjustments applicable to prior years reduces the company's deficit to $725,019 from $957,195 brought forward from 1932. Of the $204,016 surplus, $131,324 is net profit on securities sold.

The balance sheet shows current assets up to $162,582 from $72,672, the increase being entirely in cash which is up to $154,432 from $59,950. Liabilities have been reduced to $54,095 from $619,651 at the end of 1932. This change has been effected by reducing accounts payable to $13,425 from $174,619 and by paying off notes payable amounting to $271,609 and bank loan of $122,554. During 1933 the company issued 151,450 treasury shares for cash; exchanged 71,779 shares for interest in properties and 3,000 shares for services. Loans were paid off by selling 2,223 shares of Ontario Refinery stock, the sale of treasury stock.

The profit and loss account of the company is as follows:

Consolidated Profit & Loss Account
Year Ended December 31, 1933

	$
Dividends rcd.	427,495
Profit on secs. sold	308,015
Profit on exchange	13,661
Management chgs. to assoc. co's.	25,799
	774,970
Less: Int. paid. less rcd.	26,259
Admin. expense	27,067
Explor. exp. w/o	146,115
Deprec. on equip.	2,196
Cr. to res. for investments	192,626
Sec. w/o as having no value	176,691
Surplus for year	204,016
Add: Adjust. on prior yrs.	28,160
Less: Deficit at Dec. 31, 1932	957,195
Deficit forward	725,019

Investments of Ventures Ltd. include the shares of the following associated companies:

Shares	Company
1,481,477	Falconbridge Nickel
1,447,507	Coniaurum Mines
2,100,077	Beattie Gold Mines
826,060	Sudbury Basin Mines
250,000	Matachewan Consolidated
120,267	Kenora Prospectors
1,380,867	Opemiska Copper
226,025	Canadian Malartic
349,492	Sullivan Consolidated
1,387,752	Island Lake Mines
145,334	McWatters Gold
105,500	Prospectors Airways
307,500	Dominion Explorers
432,818	Pascalis Gold Mines

Through sale of 212,000 shares during 1932 and 1933 under option agreement dated July 9, 1932, it is stated that the company was able to retain control of Beattie Gold Mines and establish holdings with current valuation of around $2,500,000.

Progress is reported for Falconbridge Nickel Mines Ltd. during 1933 with the possibility of another dividend on 1933 operations in addition to the 15 cents per share paid during the year. Working capital was increased by $190,321 during the year and 181,000 tons were added to broken ore reserves. Additions to plant and equipment at Falconbridge and Norway are valued at $642,383.

Metal Prices

New York—January 30—
Copper: Electrolytic spot and future, 8¼c.
Silver: 44⅜c.

London—January 30—
(Long Ton)—
Copper: Electrolytic spot, £36 10s; future, £37 10s.
Standard spot, £33 10s; future, £33 15s.
Tin: Spot, £226 10s; future, £226 5s.
Lead: Spot, £11 10s; future, £11 12s 6d.
Zinc: Spot, £14 17s 6d; future, £15.
Silver 19⅞d per ounce.
Gold: 132s 10d.

Canada—January 30—
Gold: $33.51.

DOME MINES EARNS $3.94 PER SHARE; COSTS ARE LOWER

Got Recovery of $11.47 Per Ton—Taxes Show Big Increase

Dome Mines Ltd. is estimated to have earned $3.94 per share in 1933 before any provision for depreciation, depletion and adjustment of surplus and contingent reserve account, according to official figures. In 1932 the company earned $2.30 per share on the same basis. Tonnage milled was 536,450 and the recovery, without premium, was $7.53.

Total recovery in 1933 is shown at $6,266,957, which includes premium, and is not directly comparable with total recovery in 1932 of $4,040,317 which did not include premium. In 1932 premium received was included in non-operating profit which amounted to $527,232. Without including premium, the non-operating profit in 1933 was down to $144,970. Total revenue in 1933 was $6,411,927 as compared with $5,709,349 in 1932. Development and general operating costs were slightly lower than in 1932 but provincial and federal taxes increased to $523,110 from $288,970.

Comparison of the company's earnings and operations in 1933 with the 1932 record is as follows:

Twelve Months Ended December 31

	1933 $	1932 $
Total recovery	6,266,957	4,040,317
Less: Dvlmnt., oper. & gen. costs	2,037,809	2,082,312
Prov. & inc. taxes	523,110	288,970
Dom. divid. tax paid	66,425	......
Outside expl. w/o	21,925	......
Operating profit	3,617,688	1,669,035
Add: Non-oper. profit	144,970	527,232
Net profit	3,762,658	2,196,267
Before depreciation, depletion and other surplus adjustments.		
Earnings per Share:	$3.94	$2.30
Tons milled	546,500	536,450
Develop. cost per ton	$3.729	$4.42

U. S. Pacific Coast Exports Flour to China

China took a total of 168,000 barrels of American flour from the Pacific Coast during the six months ending Dec. 31. Total flour exports from the Pacific Coast to all destinations amounted to 455,000 barrels. Total wheat exports during the same period were 5,000,000 bushels, fairly good wheat shipments were reported from Vancouver this past week, about 1,700,000 bushels while New York alone cleared 604,000 all to the Continent. The total for North America was 4,144,000 compared to 4,714,000 a week ago and 4,322,000 a year ago.

Total world shipments, this week just past were a million more than the preceeding week. Better weather now prevails in India and wheat deterioration has been arrested. Good rains will still be necessary to assure a good crop. Spain may be obliged to import foreign wheat. Prices are advancing and markets rule firm. Two years ago this country imported two million foreign wheat. The foreign demand for wheat remains quiet. Importers are working on native wheat and supplies are holding out, English millers are expected to require further quantities of Manitobas for mixing before very long.

Alberta Farm Values

Preliminary estimates on the value of agricultural production in Alberta during the 1933 season, place the figure at approximately the same level as for 1932, namely, $118,000,000. Later revisions may make some small changes in this estimate.

Commercial Failures in November numbered 155 as compared with 229 in November, 1932. Estimated liabilities of assignors amounted to $1,939,833 as compared with $4,342,717 a year ago.

Mining Stock Quotations

Week Ending January 29.

Par Val.	Range 1934 High	Low	Company	Sales	Close Jan. 22 (or last)	High for week	Low for week	Close Jan. 29
1	.02¼	.01	Aconda	8,500	.02¼	.02¼	.02	.02
No	.17	.14½	Aldermac	3,089	.14¼	.15	.14¼	.14¼
1	.00¾	.02¼	Alexandria	771,400	.05¼	.00¾	.05¾	.07¾
No	.02¾	.01¼	Algoma	70,700	.01¼	.02¼	.01¼	.02¼
1	.00¾	.00¼	Algonquin	......	.00¾	.....	.....	.....
1	.02¾	.01¾	Amity C.	106,900	.02¾	.02¼	.02½	.02½
No	2.60	2.00	Anglo-Huronian	1,563	2.40	2.60	2.50	2.55
1	*.01	.00½	Apex	......	.00¾	.....	.....	.....
1	.04½	.03	Area	3,800	.04	.04	.03½	.04
No	.06¾	.03½	Arno	70,620	.05½	.06	.04¼	.04¼
1	1.01	.98	Ashley	300	1.00	1.00	.98	.98
1	.08	.04	Bagamac	26,000	.07	.07¼	.06¾	.07
1	.01¾	.00¾	Baldwin	4,000	.01	.01¼	.00¾	.01¼
1	.17½	.12½	Barry Hollinger	31,800	.14¾	.14½	.12½	.13½
1	1.80	1.48	Base Metals	14,785	1.74	1.80	1.73	1.78
5	.91	.50	B. E. A. R.	231,215	.53	.57½	.50	.50¼
1	.38½	.32½	Big Missouri	52,465	.34	.37½	.32½	.37
1	.28	.22	Bobjo	44,550	.27	.27	.22	.26¼
No	11.35	9.90	Bralorne	3,445	10.90	11.35	10.65	11.25
	.90	.84	Do., Rights	298	.....	.90	.84	.84
1	.15	.12	Brett Trethewey	11,600	.15	.15	.12½	.12½
50c	.64	.28½	Bridge River Ex.	17,725	.61	.60	.56	.59
1	.02¾	.01¼	Brownlee	82,500	.02½	.02¾	.02¾	.02¼
1	.01¾	.00¾	Buckingham	74,000	.01	.01¾	.00¾	.01½
No	.08	.06¾	Buffalo Can.	16,000	.07	.07½	.06¾	.07
5	30.75	23.50	Bulolo	765	29.00	29.00	27.50	27.50
No	.02½	.01½	Bunker Hill	292,000	.01½	.02½	.01¾	.02¼
5s	*1.25	.60	B'Wana McKubwa	......	.72	.....	.....	.....
No	.02½	.02½	Canam Metals	1,400	.....	.02¼	.02½	.02½
1	.10	.07½	Can. Kirkland	30,115	.08¾	.08¾	.08	.08¾
No	.58	.38	Can. Malartic	30,925	.53	.53	.42	.42
1	.01½	.00½	Capital Rouyn	4,000	.00¾	.01	.00¾	.01
1	2.85	2.25	Cariboo Gold	4,270	2.55	2.60	2.25	2.40
1	.02¾	.01	Cartier Malartic	29,500	.02¼	.02½	.02	.02½
1	.63	.53	Castle Trethewey	13,589	.55	.55	.53	.53
1	.14½	.11	Cen. Manitoba	43,050	.11¼	.11½	.11	.11¼
1	.61	.54	Cen. Patricia	20,950	.58	.59	.54	.54
No	.07	.05½	Chibougamau Pros.	170,600	.06¾	.06¾	.05¼	.06¾
No	.15½	.09	Church. M. & Mill	134,650	.14	.15½	.13½	.15½
No	.02¾	.01½	Clericy	54,300	.01¾	.02¾	.01¾	.02¾
1	.01¾	.01	Clifton Cons.	8,000	.01¾	.01½	.01	.01¾
5	4.85	4.00	Coast Copper	670	4.50	4.75	4.50	4.50
1	.05½	.04½	Cobalt Contact	26,500	.04¼	.04¾	.04¼	.04¾
1	.65	.55½	Columario	75,700	.63	.65	.62½	.65
5	1.75	1.35	Coniagas	700	1.60	1.60	1.50	1.50
No	1.55	.97	Coniaurum	18,173	1.38	1.40	1.00	1.30
25	[illegible]	132.00	Cons. Smelters	1,500	136.00	137.00	133.00	136.00
No	36.00	32.25	Dome Mines	3,796	33.75	34.00	32.25	34.00
No	.06¾	.05	Dom. Explorers	15,400	.05½	.05¾	.05	.05½
1	.01½	.00¾	Dominion Kirk	11,000	.01	.01½	.01½	.01¼
1	.01½	.00¾	Don Rouyn	9,500	.01½	.01½	.01	.01
1	.02	.01½	Duparquet	5,000	.02	.02	.02	.02
1	3.95	3.61	Eldorado	29,280	3.72	3.74	3.63	3.67
No	3.30	3.02	Falconbridge	7,605	3.15	3.25	3.10	3.19
1	.03½	.01¾	Federal	52,000	.03¼	.03½	.03	.03½
No	.04	.02¾	Gilbec	133,200	.03¼	.04	.03	.03¾
No	.84	.75	God's Lake	8,500	.82	.81	.75	.75
1	.14½	.08	Goldale	55,200	.13	.13	.10½	.12
10	.27	.16	Goldfield	26,700	.25	.27	.22	.25
1	.17½	.11½	Goodfish	9,750	.15	.13½	.13	.13
1	.06	.02½	Graham	35,500	.05	.05	.04½	.04½
1	.70	.62	Granada	14,105	.65	.68	.62	.65
1	.07	.05	Grozelle	1,500	.05	.06	.05½	.05½
1	.38½	.38½	Grull Wihksne	......	.38½	.....	.....	.....
1	.35	.30	Halcrow Swayze	8,200	.34	.35	.33	.35
1	.05½	.03¾	Harker	73,300	.04½	.05½	.04½	.04¾
1	.01¾	.00¾	Hilltop	23,000	.01	.01	.00¾	.00¾
5	12.50	11.40	Hollinger	21,220	12.15	12.45	11.55	12.20
1	1.09	.97	Howey Gold	25,125	.99	1.00	.97	1.00
No	9.95	9.00	Hudson Bay	1,529	9.75	9.75	9.05	9.40
No	*.55	.25	Huronian	......	.40	.....	.....	.....
1	13.75	10.45	Inter. Mining	1,345	13.00	13.75	13.25	13.50
	4.80	4.00	Do., Pur. Warr.	......	4.80	.....	.....	.....
No	23.25	21.15	Int. Nickel	43,746	22.85	23.25	22.50	23.25
1	.06	.02½	Jackson Manion	194,385	.05½	.05½	.05	.05½
1	*.70	.20	Keeley	......	.50	.....	.....	.....
1	.01½	.00¾	Keora Mines	16,500	.00¾	.01½	.01	.01½
1	.56	.54	Kirk. Hud. Bay	2,700	.56	.55	.55	.55
1	.02	.00¾	Kirk. Hunton	167,800	.01¼	.01½	.01¾	.01½
1	.35	.25	Kirkland Lake	23,444	.31	.32	.30	.30
1	.03¾	.01¾	Kirkland Premier	37,000	.03	.03¾	.03½	.03½
1	.26	.21	Kirk. Townsite	19,100	.22	.23	.21	.22
20c	.01¾	.01½	Koot. Florence	22,600	.01½	.01¾	.01¾	.01¾
1	.20	.11	Lakeland	16,903	.15¼	.15	.11	.14½
No	.10½	.07	Lake Maron	50,200	.09¾	.09¾	.08	.08¾
1	47.00	42.00	Lake Shore	6,090	44.00	44.35	42.00	43.75
1	.15	.08	Lebel Oro	146,050	.14	.15	.13	.14½
No	.15½	.12	Lee Gold	21,550	.15½	.15	.14½	.14¾
1	2.32	1.85	Macassa	54,417	2.27	2.31	2.10	2.21
1	.02½	.01¾	Malrobic	40,500	.02	.02¼	.02	.02
No	.09½	.06	Mandy	3,000	.09	.09	.09	.09
No	.04	.02	Manitoba Basin	65,200	.03¾	.03½	.02¼	.03½
5	43.00	39.25	McIntyre	2,065	40.75	41.50	39.25	41.00
1	.50	.50	McKinley	......	.50	.....	.....	.....
No	.03	.01¾	McLeod River	32,000	.02½	.02½	.02	.02½
1	.53	.39	McMillan	87,500	.49½	.50	.45	.47½
No	.50	.34	McWatters	41,200	.38	.39	.34	.34
1	1.21	1.02	McVittie	36,418	1.10	1.11	1.04	1.05
No	1.95	1.60	Mining Corp.	6,340	1.85	1.80	1.60	1.60
1	.05½	.02¾	Moffatt Hall	522,700	.03¾	.05½	.03	.04¾
1	.10	.08½	Moneta	6,500	.09¾	.09½	.09½	.09½
1	*.00½	.00¾	Montreal Rouyn	......	.00¾	.....	.....	.....
1	.02½	.02¾	Moss	......	.02¾	.....	.....	.....
1	.02	.01¾	Murphy	69,000	.01¾	.02	.01¾	.02
No	.03½	.02	Newbec	46,500	.02¾	.03½	.02¾	.03½
1	.05	.03	Night-Hawk Penn.	23,600	.03½	.05	.03½	.03½
5	2.60	2.30	Nipissing	7,945	2.45	2.50	2.30	2.36
No	35.25	33.25	Noranda	8,356	34.60	35.00	33.55	34.35
No	.35	.30	Nor. Canada	2,100	.31	.32	.30	.30
1	.14	.11	Osisko	4,000	.12	.12	.11	.11
1	.44	.36	Parkhill	18,500	.40	.42	.39	.39
1	.02	.01½	Pawnee Kirk.	2,600	.01½	.02	.02	.02
1	.25	.19	Paymaster	7,900	.22	.22	.20	.20½
1	1.10	.75½	Pend Oreille	980	1.02	1.07	.97	.97
1	.03½	.02½	Peterson Cobalt	4,000	.02¼	.03	.02¼	.03
1	12.75	10.75	Pioneer Gold B. C.	13,070	11.95	12.05	10.75	11.50
1	.03¾	.01¾	Porcupine Crown	103,000	.02¼	.03¾	.02	.02½
1	.01	.00½	Potter Doal	1,500	.00¾	.01	.00½	.00¾
1	1.09	1.05	Premier Gold	24,150	1.07	1.08	1.05	1.07
1	.01½	.01¾	Preston E. Dome	1,500	.01½	.01½	.01½	.01½
No	.48	.37	Prospectors Air's.	1,400	.45	.40	.37	.40
No	.09½	.05	Quemont	115	.08	.09½	.05	.09½
1	.30	.27	Read Authier	4,250	.28	.28	.27	.28
1	1.12	.87	Reno	14,870	1.06	1.10	1.01	1.08
1	.01¾	.00¾	Ribago	19,500	.01¼	.01½	.01	.01¼
1	.01¾	.01¾	Ritchie	12,000	.01¼	.01¼	.01½	.01¼
1	.03¾	.01¾	Robb Montbray	21,600	.02	.03	.02¼	.02¼
1	1.90	1.50	San Antonio	39,073	1.81	1.82	1.50	1.80
1	*.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.17	.99	Sherritt Gordon	48,323	1.12	1.15	1.08	1.11
1	1.62	1.43	Siscoe	41,535	1.57	1.58	1.53	1.54
1	.03½	.02¾	South Keora	11,000	.02½	.03½	.02½	.02½
No	.26½	.11½	South Tiblemont	636,993	.17	.18	.11½	.12
No	.13	.08½	Stadacona	28,830	.11	.13	.10½	.10½
1	.46	.33	St. Anthony	17,200	.42	.41	.39	.40
No	1.28	1.00	Sudbury Basin	8,510	1.18	1.28	1.12	1.20
1	.10½	.07	Sudbury Contact	30,500	.09	.10¼	.08¼	.10
1	.01¾	.00¾	Sudbury Mines	9,000	.01	.01¾	.01¾	.01¾
No	.18	.18	Sudbury Nickel	......	.18	.....	.....	.....
1	.35	.25	Sullivan	34,700	.34	.33	.30	.30
1	1.70	1.29	Sylvanite	66,025	1.67	1.60	1.60	1.61
1	6.20	5.75	Teck Hughes	21,735	6.10	6.15	5.80	5.85
1	.33	.20	Thom. Cadillac	76,250	.31¼	.32	.30	.31½
1	.32	.26	Towagmac	3,300	.31	.30½	.27	.30
1	.85	.35	Treadwell	3,300	.60	.60	.55	.55
1	.20½	.18	United Kirkland	400	.20	.20½	.20	.20½
No	.02½	.01½	Vacuum Gas	19,000	.01½	.02¾	.01¾	.02½
No	*2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	.88	.77	Ventures	34,750	.86	.87	.80	.87
1	.02½	.01½	Vickers	44,700	.02	.02½	.02	.02½
1	*.72	.20	Vipond	......	.45	.....	.....	.....
No	1.40	1.12	Waite Amulet	3,101	1.30	1.30	1.23	1.26
50c	.48	.40	Wayside	354,100	.46½	.47	.40	.43
No	.40	.31½	White Eagle	100,300	.35¼	.35½	.34	.35
1	.06½	.03½	White Lake	42,500	.04¾	.06¾	.05¼	.05½
1	.11	.07	Wiltsey Coughlan	6,500	.08¼	.09¾	.08¼	.08½
1	.09¼	.05	Wood Kirkland	17,000	.05¼	.09¾	.05½	.09
No	7.30	6.75	Wright-Hargreaves	19,345	7.05	7.10	6.80	6.95
			OIL STOCKS					
No	.18½	.17	Acme Gas & Oil	21,400	.18	.18½	.17½	.18
1	*.05	.04½	Admiral	......	.05	.....	.....	.....
No	*.01	.01	Advance	......	.01	.....	.....	.....
1	1.12	1.02	Ajax	4,350	1.07	1.08	1.02	1.08
1	.25	.18	Alta. Pacific	2,550	.19	.20	.18	.19
1	.15½	.12	Amalgamated	5,500	.13¾	.14½	.13½	.14
1	.05¾	.04½	Anaconda	5,000	.04¾	.05¾	.04¾	.05¼
	.08	.06	Askelta	2,000	.....	.08	.06	.08
No	.35	.20	Associated	13,585	.26	.28	.22	.24½
No	.12	.06½	Baltac	2,000	.08½	.08½	.08	.08½
No	1.15	.95	Calgary & Ed.	3,840	1.12	1.13	1.08	1.10
1	.15	.11	Calmont	8,800	.12	.13	.12	.12
1	.10	.06	Common Pete.	2,000	.10	.09½	.09	.09
No	.65	.50	Dalhousie	7,184	.55	.55	.52	.55
No	.08½	.04½	Devenish	......	.08	.....	.....	.....
No	.30	.24	East Crest	5,800	.24½	.26	.24	.26
No	.01	.00½	Fabyan Pete.	184,900	.01	.01	.00½	.01
No	.50	.40	Foothills	110	.50	.40	.40	.40
No	.16	.10	Freehold	9,500	.13	.14	.13	.14
No	.13	.08	Hargal	3,000	.08	.10	.08	.10
No	1.90	1.56	Home	7,605	1.75	1.75	1.67	1.70
No	.02¾	.02	Homestead	......	.02	.....	.....	.....
1	.18½	.13	Homestead O. & G.	2,600	.15	.14½	.14	.14
No	.35	.20	Lowery	6,650	.25	.30	.25	.25
No	.05	.03½	Madison	44,500	.04¾	.05	.04½	.04¾
No	.25	.14	Marjon Oil	17,375	.20	.25	.21	.25
No	.05½	.04½	McD. Segur Ex.	2,000	.04¾	.04¾	.04¾	.04¾
1	*.08¾	.05	McD. Segur N.	......	.06	.....	.....	.....
1	.45	.40	McLeod	1,400	.40	.42	.40	.40
No	.22	.15	Mercury	34,400	.18½	.20½	.18½	.19½
No	.42	.32	Merland	3,300	.35	.37	.34	.37
1	.30	.25	Midwal Oil	500	.30	.30	.30	.30
No	.22	.16	Mill City Pete.	200	.19	.20	.20	.20
1	.33	.25	Model	1,400	.28	.30	.30	.30
5	.14	.09	Nordon	10,000	.10	.10½	.09	.09½
No	.06	.05	Oil Selections	10,800	.05¼	.05¼	.05	.05
No	.09½	.06½	Okalta	4,500	.07	.09¾	.08	.08½
100	29.00	20.00	Do., pref.	......	20.00	.....	.....	.....
No	.27	.21	Olga Gas & Oil	12,900	.22	.23	.21	.23
No	.75	.75	Petrol Oil new	200	.....	.75	.75	.75
No	*.02	.02	Richfield	......	.02	.....	.....	.....
No	19.50	19.00	Royalite	1,802	19.50	19.50	19.50	19.50
1	.10	.07½	Sarnia Oil	8,000	.09	.08½	.07½	.08½
No	.15	.13	South West Pete.	500	.15	.13	.13	.13
1	.25	.23	Spooner	100	.25	.23	.23	.23
No	.69	.60	Sterling Pacific	10,875	.68	.68	.66½	.67
No	.11½	.07½	United	2,600	.09	.09½	.09	.09
No	.11	.11	Vanalta	......	.11	.....	.....	.....
No	.88½	.77	Wainwright West	15,575	.86	.87	.84	.85½
1	.22	.22	Wellington Oil	......	.22	.....	.....	.....

VANCOUVER STOCK EXCHANGE
(Transaction for Week to January 23.)

Par Val.	Range 1934 High	Low	Company	Sales	Close Jan. 17 (or last)	High for week	Low for week	Close Jan. 23
	.05¼	.04½	Alexandria G.	5,000	.04¼	.00¾	.00¾	.00¾
25c	.02¾	.01	Bayview	61,200	.01¾	.02¾	.01¾	.02¾
20c	.08¾	.06	Beaver Silver	22,500	.07¾	.07¾	.06	.06¾
25c	.06¾	.04	Big Slide	17,900	.05¼	.06	.04	.04
25c	.03	.03	Bluebird	6,000	.03	.03	.03	.03
1	1.00	.83	Bradian	2,518	.90	.90	.83	.90
No	11.25	9.85	Bralorne	7,025	10.00	11.25	9.85	10.85
1	.44	.20	Bridge River Cons.	115,951	.31½	.44	.31	.41
50c	.63	.28	Bridge River Exp.	115,250	.52½	.63	.54	.58
100	99.00	99.00	B. C. Electric, pfd.	......	99.00	.....	.....	.....
1	.76	.51½	B. C. Nickel	44,535	.61	.76	.62	.68
1	1.10	1.00	B. C. Silver	100	1.00	1.10	1.10	1.10
No	*.82	.52	Burns Mountain	......	.55	.....	.....	.....
50c	.27	.20	Butte I. X. L.	1,200	.25	.27	.25	.25
25c	*.36	.35	Cariboo Central	......	.36	.....	.....	.....
1	2.90	2.00	Cariboo Gold	20,285	2.15	2.60	2.20	2.30
No	10.00	8.75	Coast Breweries	3,521	9.00	10.00	9.00	10.00
25c	.01	.01	Cork Province	......	.01	.....	.....	.....
1	*.05	.02¼	Cotton Belt	......	.05	.....	.....	.....
1	.04	.01½	Dalhousie Mines	......	.02	.04	.01½	.03½
No	.47	.25	Dentonia	68,730	.41	.44	.40	.43
1	.45	.29	Dunwell	15,500	.32	.38	.29	.35
1	.31	.31	George Copper	16,900	.31	.....	.....	.....
50c	.02	.02	Geo. Enterprise	......	.....	.02	.02	.02
1	.03	.02¼	Georgia River	1,000	.02½	.03	.02½	.03
	.05	.01	Glacier Creek	20,000	.04	.04¾	.04	.04½
1	.50½	.45	Golconda	3,500	.50	.50	.48	.48
50c	.47	.27	Gold Belt	3,400	.46	.47	.41	.41
1	*1.50	.95	Golden Belle	7,800	1.50	.....	.....	.....
1	.40	.28	Grull Wihksne	......	.37	.38	.30	.37
50c	.06	.04½	Grandview	7,750	.05½	.05½	.05	.05
	.06	.05	Hercules Con.	20,300	.05½	.06	.05	.05½
No	.18½	.07	Home Gold	48,100	.13½	.18¾	.13	.18
1	.01¾	.01½	Independence	181,525	.01¾	.01¾	.01¾	.01½
1	.02	.02	Indian Mines	2,000	.02	.....	.....	.....
1	.14	.13	Inter. Coal	......	.13	.14	.13	.13
1	*.36	.36	Jack Waite	7,850	.36	.....	.....	.....
50c	.24	.22	Kootenay Belle	......	.23	.23	.22	.22
25c	*.04	.00½	Kootenay King	3,000	.01	.....	.....	.....
25c	.01½	.01	L. & L.	......	.01½	.....	.....	.....
1	.01	.00¾	Lakeview	......	.00¾	.....	.....	.....
10c	.06	.05	Lucky Jim	......	.05¼	.05½	.05	.05
50c	*.01½	.00¾	Marmot Metals	7,900	.00¾	.....	.....	.....
10c	.38	.22½	Meridian Min.	......	.27	.27¾	.22½	.23
1	*.10	.07	McGillivray Creek	118,200	.07½	.....	.....	.....
5c	.04	.04	Metaline Metals	......	.04	.04	.04	.04
25c	*.01	.00½	Mohawk	2,000	.00¾	.....	.....	.....
No	.26¾	.13	Minto Mines	208,900	.19	.26¾	.18	.25
50c	.08¾	.05½	Mogul	16,000	.06	.08¾	.05½	.08
50c	.30½	.20	Morning Star	115,550	.26	.30½	.24	.28½
1	.03	.02	Morton Woolsey	1,000	.02½	.02	.02	.02
1	.13	.05	Native Sons	191,700	.07	.13	.07½	.11
50c	.06½	.05	National Silver	15,900	.06	.05½	.05¼	.05½
50c	1.32	1.18	Nicola	83,360	1.30	1.32	1.28	1.30
50c	.15	.12	Noble Five	69,100	.13¾	.13½	.12½	.13
50c	*.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.36	.12½	Pavilion	26,500	.27	.36	.26½	.34
1	12.75	11.75	Pioneer Gold	825	12.00	12.50	11.75	12.50
1	*.11	.10	Planet	......	.10	.....	.....	.....
50c	.14	.12	Porter Idaho	8,900	.13	.13	.12	.12½
No	.02	.01½	Premier Border	24,000	.01½	.01¾	.01½	.01½
No	.25½	.18	Princess Royal	2,500	.25½	.18	.18	.18
1	.03	.03	Quatsino Copper	1,000	.03	.03	.03	.03
	.18	.17¾	Red Hawk	3,300	.....	.18	.17½	.18
No	.22½	.10	Reeves McDonald	1,400	.22	.20	.18	.20
1	.17	.10	Reliance	20,500	.16	.17	.15	.16
1	1.11	.87	Reno Gold	18,450	1.05	1.11	1.02	1.06
1	.13½	.09½	Reward Mining	77,900	.11½	.13½	.11	.13½
1	.03	.01½	Rufus Argenta	15,500	.02¾	.03	.02½	.03
1	.04½	.03½	Ruth Hope	......	.04	.....	.....	.....
1	.54	.45	Sally Mines	......	.45	.....	.....	.....
1	.07½	.07	Silverado	......	.07½	.....	.....	.....
25c	.03¾	.02½	Silver Crest	7,000	.03¾	.03	.02¼	.03
20c	.05	.04	Silversmith	5,000	.04	.05	.04¼	.05
50c	.02½	.01¾	Snowflake	25,400	.01½	.02	.01¾	.01½
25c	.02	.02	Sonora	......	.02	.....	.....	.....
1	.30	.28	Standard Gold	1,150	.30	.30	.29	.30
10	5.60	5.35	Sunshine	400	5.40	5.40	5.40	5.40
1	.22	.22	Sunloch	300	.20	.22	.22	.22
No	.74	.50	Taylor Bridge	33,900	.58	.74	.58	.71
5	.20	.20	Toric	......	.20	.....	.....	.....
50c	*.08½	.00¾	Topley Richfield	......	.00¾	.....	.....	.....
50c	.21	.04¾	United Empire	47,825	.13¾	.21	.13¾	.20
No	2.50	1.40	Vidette Gold	2,600	2.30	2.50	2.30	2.30
No	.15½	.14¾	Waterloo	15,000	.15½	.15	.14¾	.15
25c	.03½	.02¼	Waverly Tangier	164,700	.03	.03¾	.02¾	.02½
50c	.46	.41	Wayside	56,340	.42½	.46	.41	.45
20c	.03½	.02¼	Wellington	5,000	.03¾	.02¾	.02¼	.02½
No	.39	.30	White Eagle	5,400	.39	.37	.30	.33½
1	.09	.07	Whitewater	4,000	.08¼	.08	.07½	.07½

*Quotations for 1933.

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.40	Mercury Oils	4c.	.....
Bulolo Gold‡	60c.	.....	Merland Oils‡*	5c.	.....
Coast Brew.	92c.	9.20	Model Oils	3c.	.....
Coniagas‡	12½c.	.....	Noranda‡	$1	.....
Cons. Smelters	1.50	.....	Petrol Oil‡*	1c.	.....
Dome Mines	1.25	.....	Premier	12c.	11.21
Falconbridge*	25c.	.....	Pioneer, B.C.	60c.	[illegible]
Goldfield Cons‡*	5c.	.....	Royalite	$1	.....
Hollinger	65c.+20c.	6.97	Siscoe	12+2c.	[illegible]
Howe Sound	$3	.....	Sterling Pacific Oil‡	2½c.	.....
Int. Coal & Coke‡	2c.	.....	Sunshine Min.	5+7c.	.....
Lake Shore	$2+$1	6.85	Sylvanite	10+2½c.	.....
McIntyre	1.62½	3.95	Teck-Hughes	60c.	10.25
			Wright-Har.	20c.+10c.	4.31

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

January 30, 1934

	Bid	Ask		Bid	Ask
Adanac Gold	.23	.25	Kenty Gold	1.03	1.10
Algoma M. & Fin.	.10	.15	Kirk. Gold	.09	.14
Arntfield Gold	.65	.75	Kirk. Divide	.19	.25
Arntfield Synd.	.60	.70	Lake Geneva	.10	.16
Astoria Rouyn	.01	.03	Lamaque Gold	.75	1.25
Bathurst	.04	.05	Little Long Lac	1.37	1.41
Beattie	1.32	1.36	McCarthy Webb.	...	.08
Bidgood	.02½	.03½	Mackenzie Red Lake	.56	.57
Buff. Ankerite	1.62	1.68	McL. Cockshutt	.23	.25
Buff. Rouyn	...	.03	Makwa Cham.	.25	.28
Bussieres Min.	...	.40	Man. & Eastern	.08	.09
Can. Pandora	.21	.23	Maple Leaf M.	.45	.48
Can. Radium	...	.08	Matachewan Can.	.12	.13½
Canusa Mining	.03	.05	Mecca Gold	.18	.22
Clover G. Units	18.00	20.00	Metals Develop.	.02	.03½
Cochenour-Wil. Units	15.00	20.00	Minefinders	1.00	..
Continental Gas.	.02½	.05	Minrand Gold	.22	.30
Continental Gold Units	...	125.00	Martin-Bird Un.	14.00	16.00
Continental Kirk.	...	.05	N.A.M.E. Units	5.00	8.00
Crown Reserve	.02	.03	Normetal Min.	.40	.55
Delta Units	30.00	50.00	Northl'd Pros.	...	500.00
Dorval Siscoe Units	...	15.00	N. Tiblemont Un.	...	20.00
Dunkin	...	.01	O'Connell Gold	...	.30
Dunlop Cons.	.01	.02½	Oro Grande Dev.	...	.60
Eagle Oil	1.35	1.50	Peninsular Pet.	.00½	.01
Echo Bay Explor.	...	.35	Pontiac Rouyn	.45	.50
Edgecreek Un.	10.00	16.00	Que. Eureka Un.	10.00	14.00
Fiske	...	.03	Quebec Pros.	2.50	..
Flintoba	...	.01	Rubec Mines	...	.02
Four Nations	.10	.14	Silverore Un.	10.00	12.00
Galatea Units	15.00	25.00	Silveradium Un.	70.00	85.00
Glenora Gold	.25	.31	Silver Valley	.15	.18
Gold Bar Mines	.23	.25	Smelter Gold	.26	.28
Goldside Units	44.00	50.00	Sourdough Un.	5.00	10.00
Gr. Bear Lake	.48	.53	Sun Bear	...	.20
Gunnar Gold	.83	.87	Sunorca Explor.	1.00	1.15
Herbin Lake Un.	10.00	16.00	Swayze Contact	...	.17
Holytrex	.03	.04	Tiblemont Island	.23	.25
Horseshoe	.07	.11	Titurno Units	9.75	10.50
Iroquois Kirk.	...	.19	Toburn	.73	.83
Island Lake	.05	.08	Tyrrell Tp. McN.	..	40.00
			West McWatters Units	5.00	9.00
			Wendigo	.25	.35
			Young Davidson	.33	.35

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

We offer, subject to prior sale and allotment, and not in excess of 1000 shares to each applicant.

250,000 Shares
Montgomery-Ackerman Gold Mines, Limited

NO PERSONAL LIABILITY

Immediately adjoining the KENTY Development in the Swayze District

CAPITALIZATION: 3,000,000 Shares — Par Value $1.00 — Issued for Properties, 1,000,000 Shares — In the Treasury, 2,000,000 Shares.

Registrars & Transfer Agents: Chartered Trust & Executor Co. Toronto

Solicitors for the Company: Salter, Stapells and Sewell Toronto

PRESIDENT
Lt.-Col. CHAS. H. ACKERMAN, Peterboro
Director, Waite-Amulet
Vice-Pres. Metals Development Co. Ltd.
Vice-Pres. B. F. Ackerman Son & Co., Ltd., Peterboro

VICE-PRESIDENT
TOM MONTGOMERY (Staker), New Liskeard
Also Staker of Waite-Ackerman-Montgomery

MINE MANAGER
DOUGLAS BEVERIDGE, B.Sc.
Recently with the Int. Nickel Co. of Canada

DIRECTORS
M. E. ERDOFY, *Met. E. Pres.* Bartley & Co. Inc., Bankers, New York
Dr. M. H. LEBEL, *Pres.* Metals Development Company, Montreal, Canada
DOUGLAS LAWRIE, C.A. Morris & Lawrie, C.A. Peterboro

Within the past two and one-half years there has been made in the Swayze District of Northern Ontario by Jay & J. L. Kenty, of Cobalt, a gold discovery which promises to equal — and possibly exceed — any strike made in Canada in recent years, not excepting Kirkland Lake and possibly the greatest discovery since Porcupine.

President J. B. Tyrell of the Kirkland Lake Gold Mining Co., made the following reference to Kenty in his annual report to stockholders as of December 31, 1932:

"Your directors consider the Kenty property one of the most promising gold prospects that have been found in Eastern Canada in the last three years.

"Your directors are satisfied that with proper development the Kenty property may become a very big mine."

The foregoing statements are *significant* because:

(1) The Montgomery-Ackerman Gold Mines properties, comprising 17 claims and having a total area of approximately 700 acres, are immediately adjoining the Kenty on the South and the Miner Kenty claims on the South and East.

(2) Development work to date on Kenty has exposed between 20 and 30 veins. Stripping has shown a total footage of veins of approximately 7,000 feet in length, with an average width of approximately 6 feet and running up to 12 or 13 feet wide. Geologists who have examined the Kenty formations describe a striking similarity with Hollinger in the multiplicity of the veins, whereas, in its general features the field, itself, bears a striking resemblance to Kirkland Lake. On the Kenty, gold has been exposed in veins over an area as large as that of any producer in Kirkland Lake.

(3) The surface work which has been done on the Montgomery-Ackerman claims has exposed 13 veins, which are spread over a square mile of territory.

It will be the policy of the Montgomery-Ackerman Gold Mines, Ltd., to follow the plans of the Kenty Gold Mines, Ltd.; that is to say, the management, under the personal supervision of Tom Montgomery, will further explore and develop its holdings on a comprehensive scale and follow to the greatest extent possible the mine-making program of the Kenty.

The financing of this latest, and in the opinion of Tom Montgomery himself, the most promising venture, has been delegated to the undersigned, who, in consideration of all the factors briefly outlined herein have no hesitancy in recommending the shares of Montgomery-Ackerman Gold Mines as a speculation . . . but . . . be it worthy to note . . . as a speculation having unlimited possibilities for *substantial profits.*

This initial public offering is being made at the personal request of Tom Montgomery, who wants to enlist the financial support of 1,000 partner-investors, and to give them an opportunity of sharing in the potential profits of this venture.

Price: 25c per Share

NOT MORE THAN 1,000 SHARES ALLOTTED EACH SUBSCRIBER AT THIS PRICE

Shares may be reserved as indicated on the order form attached to this advertisement.

In the event of an oversubscription, reservations will be subject to allotment, on a *pro rata* basis.

It is advisable, in view of the probability of an oversubscription, that you make your reservation by telegraph and forward remittance in payment for the shares you wish reserved by first mail.

PLEASE NOTE: A fully-descriptive circular giving further and more complete details and containing a map showing the location of the Montgomery-Ackerman Gold Mines, Ltd., properties in the Swayze District and their situation with respect to the Kenty Gold Mines, Ltd., will be forwarded on request, without obligation.

T. H. McWHIRTER COMPANY, LTD.
Orders executed on all exchanges.
Adelaide 6164
Federal Bldg. Toronto

RACINE & CO.
Members Standard Stock & Mining Exchange
Belair 1711
505 Place d'Armes Montreal

COLLING & COLLING
Members Standard Stock & Mining Exchange
Waverley 4831
33 Temperance St. Toronto

RITTENHOUSE, HAMILTON & CO.
Members Standard Stock & Mining Exchange
Elgin 0247
812 Star Bldg. Toronto

All subscriptions accepted subject to prior sale and allotment. Allocation of shares to be made in the order received.

The 1,000,000 shares of which this offering forms a part have been underwritten. The proceeds of this offering is not payable to the Company, or form part of the treasury issue, and this initial offering is being made at the personal request of Tom Montgomery; a commission of 2 cents per share is being allowed to duly registered brokers or bankers for the reception and transmission of orders.

Messrs. ....
Address ....
(Print Name of Broker through whom you wish to make purchase)

Dear Sirs:
Enclosed please find $.................. to apply as full payment on ....shares of MONTGOMERY-ACKERMAN GOLD MINES, LTD. You may issue Share Certificate to:

NAME ....
ADDRESS ....
CITY .... PROVINCE ....

Orders may be mailed to any of the above houses or to your own broker.

OUTLOOK IS BETTER FOR W.-HARGREAVES

Mine is on Basis of 1,000 Tons Daily — Mill Heads Over $13

Wright-Hargreaves Mines Ltd. is definitely on a basis of 1,000 tons per day which is an increase of 25 per cent over previous normal capacity, according to an official statement of the company. The increase was effected without curtailment of operations although it entailed numerous replacements and additions.

Underground development, especially at the lower levels, has resulted in the opening up of new ore. The grade of ore developed since last fall has been higher than the average run of the mine heretofore with the result that such ore from developments going to the mill has kept the mill heads over $13 for the past six months. Future possibilities are regarded as encouraging due to the fact that most of the new development has been on the lower level where the consistency of the vein structure is quite uniform with that of the upper development.

Should the current high price of gold continue and the grade of ore remain as at present, both of which appear highly probable according to E. L. Miller, managing director, there is a very considerable area of low grade values on the property which heretofore have not been considered in the ore reserve account and on the present basis of gold, it would be profitable for the company to mine.

Pulpwood for France

Enquiries have been received by pulpwood operators in New Brunswick from a firm of buyers in France who are considering the importing of part of their raw material for paper manufacturing from Canada. The orders would require that the wood be graded in France and that 90 per cent of it be black spruce.

The Week in Mining

Mineral Industry Aids Recovery

FOR several months increasing income from Canadian mineral production sold abroad has attained such a substantial volume as to make up in some measure for the losses due to diminished markets for wheat and other agricultural products. The new money in its turn has helped materially to expand the home market for agricultural and manufactured products, and in 1934 it is hoped that this demand will become still more marked.

This is not true only of the gold mines. A year ago that was so but today the activity has extended to the nickel, copper, lead and zinc mines, and to various non-metallic products such as asbestos and magnesite. The remarkable recovery of the mineral industry will in itself give added weight to deliberations at Quebec during the first week in April, of the Canadian Institute of Mining and Metallurgy. It is understood that the economic aspect of this recovery will be the subject of considerable study and discussion.

* * *

Silver at Great Bear

IN THE Canadian Mining Journal for January G. M. Furnival ends a technical article on the known deposits by stating that the silver mineralization occurs at various points over an area 36 miles north and south by 12 miles east and west.

The silver occurs in a large variety of rock types, and, with the exception of the occurrence at Gunbarrel Inlet, close to intrusive granite contacts. These granites may not be, and probably are not, of the same age. The essential points may be tabulated as follows:

"(1) The silver mineralization is younger than the youngest acid intrusives in every vicinity in which it has been found.

"(2) The silver deposits at Dowdell Point are apparently not genetically related to the granite at the contact of which they occur, for the reasons stated. Further, this granite is regarded by the writer as being the youngest granite in the area so far investigated.

"(3) There is some relationship between the mineralization and the granite contacts. This may be a structural one.

"(4) The silver mineralization must be genetically related to some intrusive younger in age than the Dowdell Point-Richardson Island granite. The only younger intrusives exposed are the basic sills.

"(5) Silver mineralization has been found in a basic sill in the area.

"(6) The silver veins at Cobalt, Ontario, both above and below the Nipissing diabase sill, are generally regarded as being genetically related to the parent magma of the sill.

"(7) The writer, on the basis of the field relations stated, submits that the silver mineralization is genetically related to the parent magma of the basic sills. However, confirmatory evidence must be sought in the detailed study of the ore deposits before a definite statement can be made.

As very little is definitely known about the occurrence of pitchblende and the field relations it bears to intrusions to which it may be genetically related, this ore source of radium is not dealt with by the writer. He does say that pitchblende mineralization occurs with the silver mineralization in four of the deposits mentioned, and is known to precede it in three of these deposits, where the relations have been studied. It occurs on LaBine Point in silver-bearing veins both below and above the basic sill; in the B. E. A. R. vein, Contact Lake, and southwest of Contact Lake in the vein cutting the basic dyke which occurs in, and is younger than, the Dowdell Point-Richardson Island granite.

Nova Scotia Gold

We invite enquiries about the Nova Scotia Gold Field

Some attractive properties are listed with us for sale or development. We buy and sell mining properties and authentic information is available through us.

Mutual Investments Limited
Roy Bldg., Halifax
NOVA SCOTIA, CANADA

Nova Scotia Gold

Improved mining and milling equipment, combined with low cost electric power, make it economically possible to restore the Gold Mining Industry of this Province.

Large territory now open to the prospector. 63 districts contain gold-bearing lode deposits.

Several large low-grade ore bodies due to GOLD being worth around $32, as against the old price of $20.67 per ounce, can now be mined at a profit.

Nova Scotia's gold fields are very accessible. Mine rental and labour costs are low.

A Branch of the Mines Department deals exclusively with Gold Mining.

Hon. Michael Dwyer
Minister of Public Works and Mines
HALIFAX, N.S.

Canadian Mining News

Central Manitoba Mines May Shut Down Property If Finances Not Provided

Diamond-Drilling With Present Funds in Fact-Finding Hunt — Testing Out Theories Which, if Verified, Mean New Lease of Life

By B. F. TOWNSLEY
Mining Editor, The Financial Post

WINNIPEG.—The optimistic reports that have been circulated about Central Manitoba Mines have no foundation in fact, according to Wm. Hurst, president and managing director of the company, who foresees a shut down at the property as inevitable in a few months unless ore is found or money provided to conduct an extensive development programme.

This does not mean that the possibilities of the property have been exhausted or that the last vestige of hope has vanished, but officials wish shareholders to know the real facts. Certain geological theories have been formulated as the result of the present development work and these are to be tested. If they prove correct the property may yet have a more important lease of life than it has had through the past seven years of its productive history.

The company has enjoyed the best of technical direction since operations started, but funds have been lacking for development work. The funds that might have been of assistance to this end were diverted by officials of the W. A. D. Synd. who were in charge of the company until last September, when, at a shareholders' meeting, the present board of directors were elected. Since that time a real effort has been made to salvage the property for the shareholders.

Diamond Drilling Programme

Lateral development work has been completed after an exhaustive search for ore extensions and amounts of $10,000 per month, so far spent on this work, will be available for a diamond drilling programme. This is estimated to require about $30,000 and if the search supports theories advanced by John Drybrough, consulting engineer for the company, funds will be sought to support an extensive development programme that will include the sinking of a new main shaft.

At the present time the company has about $50,000 in cash and other current assets which will be available to conduct its drilling programme.

Output 4,000 Tons Ore

Production has been averaging about 4,000 tons of ore per month since the end of the company's fiscal year on April 30 last. The gross value of this production has averaged about $30,000 per month, but having regard for the development work under way it has been insufficient to meet operating expenses with the result that there has been a steady drain on the company's cash.

The search for ore from the present workings, some 8,000 ft. along a main break, has been exhaustive and disappointing to the depth presently carried. The eastern or Hope section, within recent months has been further explored by deepening the shaft from 100 ft. to 200 ft. without finding an extension of the ore found on the surface. On the Tene section farther west, lateral work has been conducted to the 750 ft. horizon with recent work directed toward the development of the South vein, reached by crosscuts from the main vein. This yielded some ore but drifting and raising disclosed that the ore had bottomed about 35 ft. below the 650-ft. level and that a flat had come in. No attempt as yet has been made at solving this faulting.

On the adjoining Ripstein claim to the west of the company's Tene section, mining on a royalty basis to the 750-ft. level has exhausted the known ore. A diamond-drill hole to a depth of 850 ft. did pick up a one foot stringer showing some $20 in gold, but officials want more evidence before launching an expensive programme to test this, particularly since the three years royalty agreement that has been in force, expires early in February.

Produced $2,600,000

That the property has not lacked for efficient management is evidenced by the cost of operations. Economies at every turn, at the property, have been practised. Development and exploration expenses have been the big unproductive items but now these will be greatly reduced by the dropping of lateral work.

The total value of the company's production since operations started in 1928 is about $2,600,000, won from about 300,000 tons of ore, mined from three sections of the property over a length of some 8,000 ft. For several months about one half of the ore has come from Tene section, which is carted to the mill on the Kitchener section.

Restitution Asked

Contrary to the promise made at the shareholders' meeting by H. C. Davis, of the W. A. D. Synd. and formerly managing director of the company, restitution has not yet been made for the $30,000 diverted from the company's treasury to finance a private project of the W. A. D. Synd. Shareholders at the last annual meeting voted unanimously against this action of Messrs. Wentworth, Anderson and Davis and elected the present board presently comprising Wm. Hurst, president and managing director, F. G. Mathers, sec.-treas.; L. D. Baxter, H. C. Ritchie, A. H. Pulford, and John Drybrough, all of Winnipeg, the latter consulting engineer representing the John Taylor & Sons interests of London, England, the largest shareholder controlling some 1,300,000 shares of the company. J. Curtis Houston is the mine manager.

H. C. Davis, the second largest shareholder, has been selling some of his shares since he was ousted as an officer of the company, according to the transfer books. Steps have been taken to block his transfering this stock until restitution of the $30,000 has been made, as his Central Manitoba shares represent his principal attachable assets in Canada. Present market prices are around 11 cents per share. In 1927 they sold as high as $2.30 per share.

BRIDGE RIVER TO DO OWN DEVELOPMENT

Strike at 750-ft. Level Ends Negotiations With Smelters

From Our Own Correspondent

VANCOUVER — Negotiations between Consolidated Mining & Smelting Co. and Bridge River Exploration (BRX) for a working agreement in regard to the development of the BRX property are off, according to a statement issued by the Bridge River company.

BRX will go ahead with its own development programme independent of Smelters. Smelters made a bid for control of BRX some time ago and renewed its offer after BRX made an interesting strike at the 750-ft. level, but this discovery altered the situation so far as BRX was concerned and it decided to go along without Smelters backing.

Arrangements have now been made for the purchase of machinery to sink a winze at once to a depth of 500 feet below the No. 3 level. S. R. Smith, managing director, says BRX is adequately financed to go ahead with its development plans.

Ira B. Joralemon, San Francisco consulting engineer, has completed a report on BRX which is said to be favorable. He has mapped out a list of recommendations for future operation of the property.

NORTHERN CANADA MINING CORPORATION, LIMITED

Invests in Canadian Mines and Mining Properties

J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

MINING and INDUSTRIAL STOCKS

Statistical Information on all issues available upon request.

J.E. Grasett & Co.

MEMBERS
Standard Stock & Mining Exchange
302 Bay St. Wa. 1633 Toronto
Branch Office
Keele & Dundas Sts.
Junction 1167

Price of Gold

The Standard Value of Gold is $20.67 per ounce.

The Market Value of Gold has risen to over $30.00 per ounce.

Ontario Mines are to-day producing Gold at the rate of $170,000 per day, in Canadian Funds.

The output for 1933 is estimated at 59 Million Dollars in Canadian Funds.

Ontario Department of Mines

HON. CHARLES McCREA,
Minister of Mines,
Toronto, Canada

Region Gold Seeks Eastern Financing

From Our Own Correspondent

VICTORIA, B.C. — More eastern capital will be brought into British Columbia, this time to finance the Region Gold Mines, Ltd., which holds 32 claims adjoining the Wayside and the Queen Bess Silver mine, 70 miles north of Kamloops, according to reports. The company is headed by Frank and Lester Patrick, well known in sport.

H. R. Gale, of Gale, Ryan & Company, the fiscal agents, has left for the east to complete financing arrangements. It is understood that the operations will be financed through a public company, incorporated last year, known as Region Mines, Ltd., which will take over the assets of Region Gold Mines on an exchange basis of three shares of the new company for one of the old. The original company, Region Gold Mines Ltd. is a private incorporation, capitalized at 500,000 shares of 50 cents par, all of which would be outstanding.

Satisfactory reports have been made on both the Bridge River property and on the Queen Bess, the latter being equipped with a plant, which would require some repairs.

Report Bralorne To Have New Strike

From Our Own Correspondent

VICTORIA, B.C. — Another favorable strike has been made on the Bralorne mine in the Bridge River district, according to reports received here. The tunnel on the No. 7 level is stated to have encountered a hitherto unexplored ore body containing a vein varying in width from three to twenty feet, with an average width of seven feet.

Gold values in the new ore are exceptionally high, an early estimate placing the content at about $150 a ton on present gold prices.

The same report states that preparations are being made for an early start on work on the southeast end of the property, now owned by the Bradian, a Bralorne subsidiary. If weather conditions are favorable development on this section of the property will be started within the next two months. At the present time the B. C. Electric Railway Company is building a power line from the Bralorne to the Bradian.

AMAZING SPEED OF SAN ANTONIO IN MAKING ORE

Surprising Increase in Ore Reserves — 280 Tons in Spring

By Our Mining Editor

WINNIPEG. — Manitoba's pioneer dividend-paying gold mine, San Antonio, has unostentatiously been working itself into a position where it has possibilities of being a really big mine. Within the last year the developments on the 26 vein system have been making ore at an amazing rate.

On the 300 ft. and 450 ft. levels—the only two to be explored—an ore shoot has been partially developed to date 550 ft. in length and both faces of the drift are in ore, with about 1,200 ft. to go to reach the easterly boundary of the property. Crosscutting has just been completed on the 600 ft. level and drifting will start at once on this horizon. The vein was encountered about a year ago in diamond-drilling from the surface to a depth of 400 ft. to test the geological theories of D. J. Kennedy, the mine manager. As a result of this development it appears that there is a main mineralized break crossing the series of veins which have been mined and probed to date.

Sufficient work has not been done on this new zone to interpret it in terms of proved ore reserves, but it is known that the next annual report, due in a few weeks, will show a surprising increase in the ore reserves.

Three Compartment Shaft Started

To cope with this new ore situation a three compartment shaft was started this week as a raise from the 300 ft. level. A new Ingersoll-Rand hoist has been ordered and plans are out on an 85 ft. steel headframe for this new shaft. The sinking of this shaft will be pressed and at the same time lateral work will be aggressively pursued. By the end of this year the mill, which is to be stepped up to 280 tons daily, may come under consideration for further enlargement.

A new Allis-Chalmers regrinding mill has been ordered, tables are to be installed and provision made for a second ball mill. This new equipment will be in operation early this spring.

During the early part of 1933 the mill treated about 140 tons of ore daily. During the latter part of the year it was steadily stepped up, and has treated as high as 190 tons daily. The normal value of the production for 1933 was about $470,000 plus exchange compensation, which will bring the total value to about $675,000, as compared with $259,240, normal value, in the eight months the new mill was in operation during 1932.

First Important Staking

San Antonio Gold Mines property was the first important staking in Manitoba. A. E. Pelletier, an inspector in the R.N.W.M.P., had been on a trip to Churchill on the west coast of Hudson Bay. In returning he came through the area where he made the discovery on the series of little islands that include the company's present property. This was in May, 1911, and so impressed was he with his find that he resigned from the R.N.W.M.P. and turned prospector. J. D. Perrin, present president of the company, purchased the property from him for $30,000 and set about to finance its development. Since that time, seven financing programmes have been undertaken until finally the last one, sponsored principally by N. A. Timmins, resulted in the property being brought into successful production. During all these years, Mr. Perrin never lost hope of its ultimately making a profitable mine and on March 15 next, the initial dividend of five cents per share will be disbursed to the holders of its 2,231,302 shares.

That the stock market has been conscious of the trend of developments is shown by the steady increase in price to a new high level of $1.90 per share.

ORO GRANDE MINE CLOSES NEW MILL

New Financial Deal With Old Group Under Way

Oro Grande Development Co., owning the old Oro Grande property in the Central Manitoba area that was prospected a number of years ago, is being further sponsored by the same New York group that figured in the financing of the company last year, according to reports in Toronto brokerage circles.

Last summer the Jendow Holding Corp., of New York, took up 500,000 treasury shares which netted the treasury about $50,000, or 10 cents per share. These were sold in Toronto through Foundation Securities at nearly $1 per share until the Ontario Securities Commissioner cancelled the selling license.

It is understood that the new deal calls for placing $150,000 in the treasury and that the new allotment of shares will be sold at 55 cents each to net the treasury 45 cents. Of the former 500,000 shares taken up it is understood that only some 65,000 were disposed of and that leaves some 435,000 of these old shares available for the public to purchase.

Part of the new programme includes the election of Chas. Nourse, of Winnipeg, as president of the company. Also a report has been made on the property by Douglas Wright, consulting mining engineer. He has recommended that the 75-ton mill, started a few weeks ago, be closed down until some ore can be developed to sustain its operation.

Asbestos 1933 Production Was Larger Than in 1932

Canadian producers shipped 20,463 tons of asbestos in November; during the preceding month 19,524 tons were shipped and in November, 1932, the total was 11,616 tons, according to a statement issued by the Dominion Bureau of Statistics at Ottawa. Shipments during the first eleven months of 1933 totalled 138,107 tons, an advance of 27.4 per cent over the tonnage shipped in the corresponding months of 1932.

During November Canadian asbestos exports were recorded at 16,985 tons as compared with 19,329 tons in October; 65.5 per cent of the November exports were consigned to the United States.

HOLLINGER GOLD SHARES EARNED $1.22 IN 1933

Tonnage Slightly Down — Recovery Up to $7.99 from $6.68 in 1932

Hollinger Consolidated Gold Mines earned $1.22 per share in 1933 before provision for depreciation according to official preliminary estimates of operating results forwarded to shareholders with dividend payable January 29. This compares with 81 cents per share earned in 1932. While tonnage milled showed slight decline of 1.58 per cent the value of gold and silver production increased by 17.7 per cent.

The company milled 1,727,102 tons of ore in 1933 as compared with 1,754,863 tons in 1932 while recovery per ton was up to $7,995 from $6.68. Value of gold and silver production is estimated at $13,808,218 as compared with $11,723,074 while interest on investments and income from other sources is down to $133,496 from $147,166. Operating expenses, including all charges and allowances for taxes showed only a moderate increase. The company paid out $4,182,000 in dividends as compared with $3,690,000 in 1932.

The official estimate of 1933 operations compared with results in 1932 is as follows:

Years Ended December 31	1933 $	1932 $
Val. of gold & silver prod.	13,808,218	11,723,074
Int. on invests., & other inc.	133,496	147,166
Total income	13,941,714	11,870,240
Oper. expend., incl. all chgs. & allow. for taxes	7,944,665	7,845,655
Total profit	5,997,049	4,024,585
Dividends paid	4,182,000	3,690,000
Net profit before depr. & surp. adjustment	1,815,049	334,585
Est. earn. per share	$1.22	$0.82
Tons milled	1,727,102	1,754,863
Recovery per ton	$7.995	$6.68

B. C. GOLD OUTPUT WAS $4,857,780 PLUS PREMIUM

Production of Mines in '33 Showed First Uptrend Since 1929

From Our Own Correspondent

VANCOUVER.—Gold production in B. C. during 1933 had a value of $4,857,780 on a basis of $20.67 per ounce, according to the preliminary report of the mineral industry of British Columbia, just issued by J. C. Galloway, provincial mineralogist. To this value can be added an estimated premium of $1,860,110, bringing the total gold return in Canadian funds to $6,702,890. Production of silver, copper and zinc was slightly under that of 1932 but increase in price of base metals resulted in a higher valuation of 1933 production than on 1932 production. Production of lead was higher than in 1932 and value was up to $6,353,640 from $5,378,878. Both coal and structural materials were lower in both tonnage and value.

Metallic production including gold, silver, lead, zinc and copper had an estimated value of $21,999,489, an increase of $2,460,500 as compared with 1932. Mineral production in the first half of 1933 recorded a decline of 13.4 per cent so that increase for the full year is regarded as very satisfactory and showing a definite uptrend, the first since 1929.

Pioneer Led Gold Production

The estimated output of the leading gold producers amounts to 217,000 oz. of which Pioneer contributed 84,000 oz., Premier 50,000 oz., Bralorne 26,000 oz., Reno, 12,000 oz. and Cariboo 8,000 oz. with the balance of 37,000 oz. coming from miscellaneous producers. By-product gold amounted to approximately 18,000 oz. or 8.3 per cent of the total. Gold was shipped from some 35 different properties.

The estimated mineral production for 1933 as compared with 1932 is shown as follows:

Product—	Quantity	Value
Gold, placer, oz.:		
1933	21,000	$ 357,000
1932	20,400	346,800
Gold, lode, oz.:		
1933	217,000	4,485,780
1932	181,564	3,753,261
Silver, oz.:		
1933	6,900,000	2,593,503
1932	7,130,838	2,258,453
Copper, lbs.:		
1933	43,000,000	3,197,910
1932	49,841,009	3,179,956
Lead, lbs.:		
1933	265,000,000	6,353,640
1932	254,488,952	5,378,878
Zinc, lbs.:		
1933	156,000,000	5,011,656
1932	192,120,091	4,621,641
Coal, tons:		
1933	1,252,000	5,321,000
1932	1,534,975	6,523,644

Structural materials had a value of $900,000 against $1,698,839 a year ago, and miscellaneous items $860,000 compared with $480,146.

Total value $29,080,489, compared with $28,241,618 in 1932, a gain of $858,871.

Hercules Consolidated Plans 100-Ton Concentrator

From Our Own Correspondent

VICTORIA, B.C.—Plans are being made for the erection of a "floating concentrator" by the Hercules Consolidated Mining, Smelting & Power Co. and owners of the Dorotha Morton mine at Phillips Arm, it is rumored.

The concentrator of 100 tons capacity, would be erected on two giant pontoon scows and driven by Diesel engines. Freighters would be able to pull alongside and load concentrates for shipment to the Tacoma Smelter and ores from the various other mines in the immediate vicinity such as the Enid-Julie, Alexandria, Thurlow, Sonora and Blue Bell, could be treated at this central plant.

Ore Receipts

Following is a statement of ore received at the Trail smelter, for the period January 15 to 21, 1934, inclusive:

Name of Mine	Locality	Tons
Bell	Beaverdell	47
Gold Belt	Salmo	28
Golden Eagle	Nelson	5
Highland Lass	Beaverdell	46
Knobhill	Republic	104
Kootenay Belle	Salmo	47
Lone Pine Surprise	Republic	54
Morning Star	Oliver	126
Mountain Lion Lease	Republic	104
Mountain Lion No. 3	Republic	166
Reno	Nelson	12
Silversmith	Sandon	42
Sally	Beaverdell	50
Yankee Girl	Ymir	176
Total		1,007
Total company		7,846
Grand total		8,853

ACTIVITY IS SEEN IN B. C. GOLD FIELDS

Ten More Mills May be in Operation During 1934

From Our Own Correspondent

VICTORIA—At least ten more gold mills will be in operation before the end of 1934 in British Columbia, according to reliable information received from government departmental sources here.

At the present time the main gold returns of the province are taken from the Premier, the Trail smelter, the Anyox smelter, Britannia, Pioneer, Bralorne, Cariboo Gold Quartz, Reno, Second Relief.

New mills are expected to include that of the Vidette, on Deadman River, which has already been tuned up and is crushing at the rate of 35 tons a day.

The 100 ton mill at the Nicola Mines & Metals property is expected to be in operation soon as is the 50 ton concentrator at the Windpass mine.

Plans are being made for a 500 ton mill at the Meridian, while it is expected that a 100 ton plant is to be installed at the old Arlington Mine.

Other mines in the province for which milling plants are being contemplated are the Parvenue, near Oliver, operated by Vancouver and New York interests; the Big Slide mine on Kelly Creek for which a 25-ton plant is planned; the Dawson mine near Hope with a 35 ton mill; the Morning Star mine in the Fairview camp, the Wayside in the Bridge River and the Home mine in the Coquihalla area.

In addition to this it is authoritatively reported that the Bralorne mill is to be increased while the plant of the Cariboo Gold Quartz is expected to be replaced by a much larger mill.

STERLING PACIFIC SALE IS ATTACKED

McLeod Believes Shareholders Should Get Higher Price

Shareholders of Sterling Pacific Oil Co. have received an offer from Royalite to purchase assets of the former company for 37,000 shares of Royalite on a basis of approximately 25 shares of Sterling Pacific Oil for one share of Royalite. Six directors of Sterling Pacific agreed to this proposal but Jas. W. R. McLeod, managing director of the company, has written to shareholders stating that while he agreed with the principle of amalgamation, he believes that the basis of exchange should be approximately 15 to 1 instead of 25 to 1 as offered. In the event of Sterling Pacific Oil Co. making a deal with Royalite, he holds the opinion that shareholders should retain a small royalty in the present wells and an overriding royalty on the property in the event of any new wells being drilled on it.

The company holds at least 32,640 acres in the Turner Valley and Mr. McLeod states that 1933 production was 51,205 bbls. with an average monthly production of 4,267 bbls. giving a net return of over $7,000 per month. Only a small area has been developed and government engineers estimate the life of the field to be 20 years or more. During the last 14 months, dividends of approximately $75,000 were paid, equal to 8c per share, and Mr. McLeod estimates this can be maintained and even increased in the future. He estimates revenue for 1934 at over $100,000 on the basis of the company's interest in Sterling Royalties Limited, netting approximately $30,000.

Associating himself with Mr. McLeod, in opposition to the opinion of six other directors of the company, is A. M. Donaldson, vice-president. Imperial Oil Ltd. owns a 40 per cent interest in the No. 1 and No. 2 wells of Sterling Pacific Oil Co. but has no direct interest in the company's acreage or oil leases or the machinery, equipment, or cash.

DENTONIA MINES GETS NEW CAPITAL

Shareholders Are Offered Additional Shares at 50c

From Our Own Correspondent

VICTORIA — Dentonia Mines has completed arrangements to raise $100,000 to develop its property in Greenwood area of British Columbia to the production stage, and at latest reports mill machinery had already been ordered.

The vein under development at the property averages over 6 ft. in width for a distance of over 400 ft. Drifting is being carried on on the face with a five foot width at a depth of 165 ft. averaging .77 ounce gold and four ounces of silver. Sufficient ore is blocked out and immediately available to keep the mill operating continuously for at least 12 months at 100 tons a day capacity.

The brokerage firm of Reed-Henderson has submitted an offer to Dentonia shareholders enabling them to subscribe for 150,000 treasury shares at 50 cents each, on the basis of one new share for each five shares owned.

This, it is understood, assures the company $75,000 in cash, which with the $25,000 they have on hand will provide $100,000 to complete all payments on additional property acquired, and pay for machinery for a 100-ton mill.

At the Mines

Windpass Mine—A 50-ton mill at Windpass Mine, near Chu Chua, fifty miles north of Kamloops, B.C., will be in operation before the end of January, according to present plans. The property, a former producer, is being operated by the Trites-Woods-Wilson interests of Premier fame.

* * *

Velvet Mine—Located on the Rossland-Cascade highway about nine miles from Rossland, the Velvet mine will commence operations in about six weeks, according to word received at Victoria. The mine is under lease and option to the Velvet Gold Mining Co. of Seattle and already considerable sums have been expended on preparing the buildings, machinery and shaft for production.

* * *

Base Metals—A new development programme is to be put into effect at the properties of the Base Metals Corp. in a short time which will make possible an increase in mill capacity later this year, according to reports. At the present time the 300 ton concentrator is operating to capacity and the additional mill equipment will cost about $50,000, bringing the total capacity to a point considerably higher that at present. It is understood that costs have been reduced to $2.60 a ton including mining, milling and concentrating.

Coke Production in December amounted to 187,762 tons, the highest monthly total for the year, compared with 147,217 tons in December, 1932. Output for the year amounted to 1,794,122 tons as compared with 1,637,701 tons in 1932.

Additional mining news on page 15 this week

N. C. URQUHART & CO.
STOCK BROKERS
Members Standard Stock and Mining Exchange
15 King Street West Toronto, Ont.
Adel. 6028

Richfield-Cariboo May Have Fifth Vein

From Our Own Correspondent

VICTORIA, B.C.—New discoveries in the main tunnel of the Richfield Cariboo are said unofficially to include the uncovering of a fifth vein 7½ feet in width as well as several other veins. Officials of the company have so far declined to issue a statement pending the receipt of further information from the property.

M. M. Reese, consulting engineer for the company, in his latest report stated that values in the first four veins encountered, while low, were promising at that stage of development.

Ore Receipts at Trail

Ore receipts at Trail smelter from Jan. 15 to Jan. 21, 1934, inclusive, and from Jan. 1, 1934, to date, in tons:

Company's mines	7,410	22,456
Other mines	1,443	4,021
	8,853	26,477

We recommend the immediate purchase of
Canadian Dredge & Dock
Canada Cement
ASK US WHY
Doherty Roadhouse & Co.
MEMBERS
STANDARD STOCK & MINING EXCHANGE
51 KING STREET WEST WA. 1163 TORONTO

International Nickel
We have prepared a complete analysis which may be had on request.
Bongard & Company
80 KING ST. WEST, TORONTO. EL. 5381
Guelph, Kitchener, Windsor, Hamilton, St. Catharines, Brantford
Toronto Stock Exchange
Montreal Stock Exchange — New York Curb (Assoc.)
Montreal Curb Market — Chicago Board of Trade
Winnipeg Grain Exchange — Commodity Exchange Inc.

A COMPLETE BANKING SERVICE IN THE MINING COUNTRY

Imperial Bank of Canada offers a complete, co-ordinated banking service in the Northern Ontario and Quebec mining districts. Twenty-two Branches in this area.

IMPERIAL BANK OF CANADA
HEAD OFFICE - TORONTO
Capital and Reserve $15,000,000
FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President — R. S. Waldie, Vice-President
A. E. Phipps, General Manager
BRANCHES THROUGHOUT CANADA

Canadian Airways operates regular services which keep Canada's farthest outposts in close touch with the swiftly moving currents of our national life. Through air transportation areas such as the Magdalen Islands, the North Shore of the St. Lawrence, and the Mackenzie River Area feel the close bond of nationhood.

CANADIAN AIRWAYS
Limited
MONTREAL WINNIPEG VANCOUVER
Toronto Office - 1430 Canadian Bank of Commerce Building
Edmonton Office - Richardson Bldg.